

BOND MARKET REPORT

September – 2019



- In 09/2019, the State Treasury of Vietnam held 8 Government bond auctions with total offered value of VND 6,250bn; the issued value stood at VND 5,950bn, the winning ratio was 95%.
- In 09/2019, the total value of Outright and Repo transactions of Government bonds, Government-guaranteed bonds and municipal bonds stood at VND 187,427bn.
- As of the end of 09/2019, the total outstanding value of Government bond, Government-guaranteed bond and municipal bond was VND 1,111,432bn.
- According to data from VBMA's Market Makers, the average Government bond yields for all tenors in September continued to fall significantly.

Primary Market

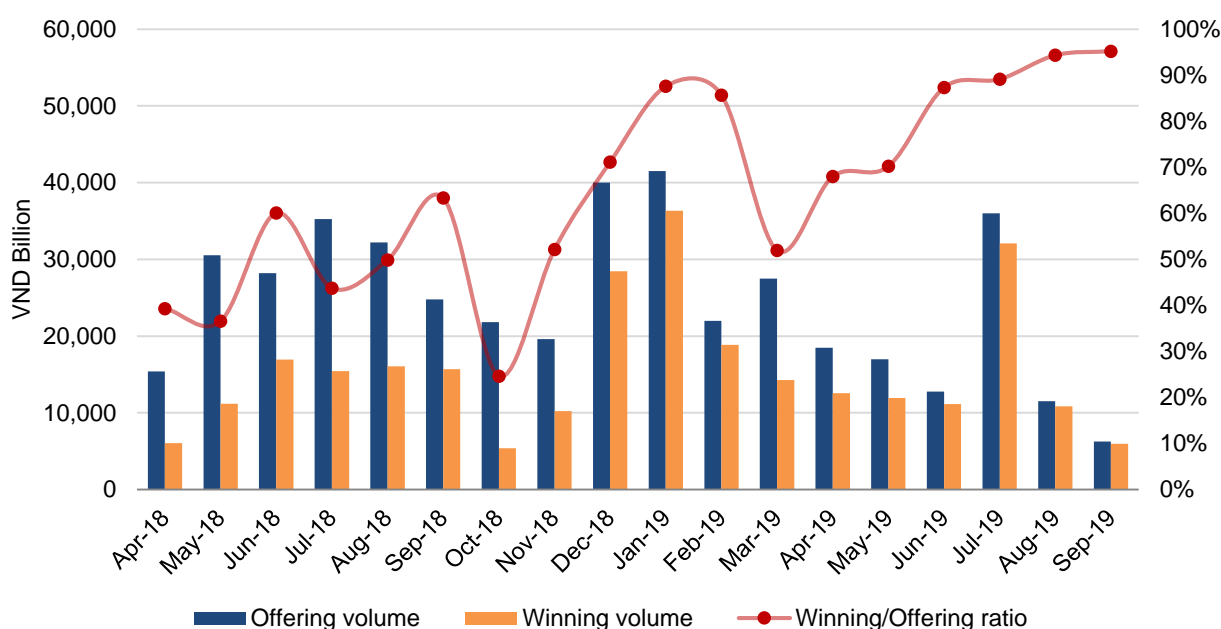
State Treasury issued VND 5,950 billion of bonds. The total winning rate is 95%.

In September, 2019, the State Treasury of Vietnam held 8 Government bond auctions with total offered value of VND 6,250 billion, the lowest value since the beginning of 2019. Total issuance value also decreased by 50%, stood at VND 5,950 billion. Thus, the winning ratio in September was 95%. 10-year and 15-year continued to be the primary tenors, accounted for 66% of the total volume. The bidding over offering volume ratio stood at 441%.

In general, the monthly average winning interest rates of 5-30 year tenors continued to drop sharply in September respectively stood at 3.15%, 3.54%, 4.01%, 4.28%, 4.90% and 5.23%.

In summary, in Q3/2019, the State Treasury of Vietnam issued VND 48,879 billion of government bond, 70% of the planned amount.

Offering and winning volume of Government bond



Source: HNX, VBMA Consolidated

Bond auctions result by tenors in September 2019

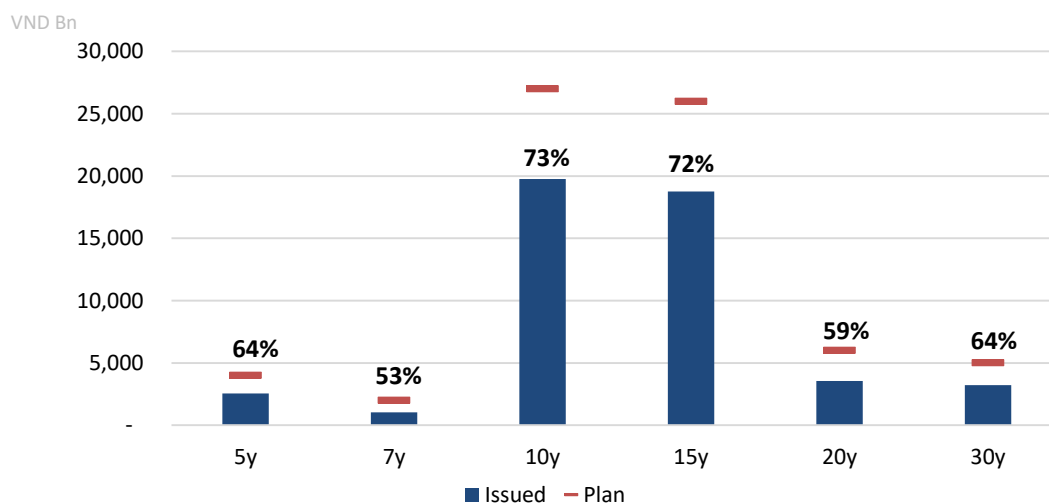
Tenor (Y)	No of sessions	Offering value (VND bn)	Bidding volume (VND bn)	Winning volume (VND bn)	Winning volume/Offering volume	Bidding volume/Offering volume
5	1	500	2,901	500	100%	580%
7	1	500	1,960	500	100%	392%
10	2	2,000	9,560	1,900	95%	478%
15	2	2,000	9,550	2,000	100%	478%
20	1	500	1,995	500	100%	399%
30	1	750	1,570	550	73%	209%
TOTAL	8	6,250	27,536	5,950	95%	441%

Government bond auction results in September 2019

No.	Bond code	Issuer	Tenor (year)	Auction Date	Offering Value (VND bn)	Bidding Value (VND bn)	Winning Volume (VND bn)	Winning Yield (%/y)
1	TD1924164	State Treasury	5	11-09-19	500	2,901	500	3.15
2	TD1929179	State Treasury	10	11-09-19	1,000	4,960	900	4.04
3	TD1939201	State Treasury	20	11-09-19	500	1,995	500	4.9
4	TD1934191	State Treasury	15	11-09-19	1,000	5,200	1,000	4.32
5	TD1926171	State Treasury	7	25-09-19	500	1,960	500	3.54
6	TD1929179	State Treasury	10	25-09-19	1,000	4,600	1,000	3.97
7	TD1934190	State Treasury	15	25-09-19	1,000	4,350	1,000	4.24
8	TD1949206	State Treasury	30	25-09-19	750	1,570	550	5.23
1	TD1924164	State Treasury	5	11-09-19	500	2,901	500	3.15
2	TD1929179	State Treasury	10	11-09-19	1,000	4,960	900	4.04

Source: HNX, VBMA Consolidated

State Treasury's Government Bond Issuance Plan Q3/2019



Source: STV, VBMA Consolidated

Government Bond Payment Schedule in October, 2019

No	Bond code	Initial Tenor (year)	Issuing Date	Actual Payment Date	Registered Value (VND bn)	Coupon rate (%)	Coupon Payment (VND bn)	Principal Payment (VND bn)
1	TD1626457	10	06-10-16	07-10-19	2,825.0	6.20	175.2	-
2	TD1636502	20	06-10-16	07-10-19	2,083.0	7.70	160.4	-
3	TD1020061	10	11-10-10	11-10-19	600.0	10.80	64.8	-
4	TD1722384	5	12-10-17	14-10-19	2,809.0	4.50	126.4	-
5	TD1646503	30	13-10-16	14-10-19	7,375.1	7.90	582.6	-
6	TD1429095	15	15-10-14	15-10-19	3,008.0	7.00	210.6	-
7	TD1424174	10	15-10-14	15-10-19	3,756.0	6.10	229.1	-
8	TD1020065	10	18-10-10	18-10-19	1,729.9	10.80	186.8	-
9	TD1724418	7	19-10-17	21-10-19	1,784.0	4.80	85.6	-
10	TD1520268	5	22-10-15	22-10-19	7,220.0	6.60	476.5	-
11	TL1535302	20	29-10-15	29-10-19	1,600.0	7.75	124.0	-
12	TD1419090	5	31-10-14	31-10-19	7,752.0	5.00	387.6	7,752.0

Source: HNX, VBMA Consolidated

Corporate bond issuance news in September 2019

No	Issuer	Status	Issuance type	Issuing Date	Tenor (Y)	Value (VND bn)	Coupon Rate (%/y)			Notes
							Fixed	Floated		
								First Year	Reference Rate Spread	
1	NH TMCP ĐẦU TƯ VÀ PHÁT TRIỂN VIỆT NAM	Done	Public	27/08/2019 - 26/09/2019	10	500			1.30%	Inconvertible, unsecured
2	NH TMCP ĐẦU TƯ VÀ PHÁT TRIỂN VIỆT NAM	Done	Public	27/08/2019 - 26/09/2019	7	2,499			1.20%	Inconvertible, unsecured
2	CTCP TẬP ĐOÀN MASAN	Done	Public	26/09/2019	3	1,500		10.00%	3.20%	Inconvertible, unsecured
3	NH NÔNG NGHIỆP VÀ PHÁT TRIỂN NÔNG THÔN VIỆT NAM	Done	Public	24/09/2019	7	4,998			1.20%	
4	CTCP TẬP ĐOÀN SOVICO	Done	Private	03/09/2019	3	100	11.00%			Inconvertible, unsecured
5	NH TMCP QUỐC TẾ VIỆT NAM	Done	Private	04/09/2019	3	500	6.30%			Inconvertible, unsecured
6	NGÂN HÀNG TMCP BƯU ĐIỆN LIÊN VIỆT	Done	Private	03/09/2019	3	200	6.70%			Inconvertible, unsecured
7	CTCP VẬT TƯ NÔNG SẢN	Done	Private	06/09/2019	2	120		10.50%	3.60%	
8	CTCP BCG ENERGY	Done	Private	04/09/2019	3	116	7.00%			
9	CT TNHH PHÁT TRIỂN PHÚ MỸ HƯNG	Done	Private	04/09/2019	6.75	800	8.17%			Inconvertible, unsecured
10	NH TMCP PHÁT TRIỂN TP HỒ CHÍ MINH	Done	Private	16/09/2019	3	900	6.30%			Inconvertible, unsecured

11	NH TMCP PHƯƠNG ĐÔNG	Done	Private	17/09/2019	3	200	6.60%		Inconvertible, unsecured
12	NH TMCP ĐÔNG NAM Á	Done	Private	11/09/2019	10	266	9.90%	3.00%	Inconvertible, unsecured
13	CTCP SUNSHINE MARINA NHA TRANG	Done	Private	07/09/2019	2	22	7.00%		Inconvertible, covered
14	NH TMCP PHÁT TRIỂN TP HỒ CHÍ MINH	Done	Private	20/09/2019	5	12	8.50%		Inconvertible, unsecured
15	NH TMCP Á CHÂU	Done	Private	17/09/2019	2	1,000	6.70%		Inconvertible, unsecured
16	NH TMCP Á CHÂU	Done	Private	19/09/2019	3	1,600	6.80%		Inconvertible, unsecured
17	CTCP TẬP ĐOÀN SOVICO	Done	Private	03/09/2019	3	100	11.00%		Inconvertible, unsecured
18	CTCP DU LỊCH VÀ TIẾP THỊ GIAO THÔNG VẬN TẢI VN - VIETRAVEL	Done	Private	17/09/2019	2	700	9.25%/y first 15 months; 11%/y remaini ng tenor		Inconvertible, secured
19	NH TMCP SÀI GÒN - HÀ NỘI	Done	Private	16/09/2019	3	950	7.00%		Inconvertible, unsecured
20	NH TMCP PHƯƠNG ĐÔNG	Done	Private	24/09/2019	3	500	6.60%		Inconvertible, unsecured
21	CT TNHH ĐẦU TƯ VÀ PHÁT TRIỂN BĐS NOVA TÂN GIA PHÁT	Done	Private	02/07/2019 - 23/09/2019	2	281	6.00%		Inconvertible, secured
22	CTCP TẬP ĐOÀN SOVICO	Done	Private	25/09/2019	3	100	11.00%		Inconvertible, unsecured

23	CTCP TẬP ĐOÀN SOVICO	Done	Private	24/09/2019	3	50	11.00%			Inconvertible, unsecured
24	CTCP TẬP ĐOÀN SOVICO	Done	Private	23/09/2019	3	200	11.00%			Inconvertible, unsecured
25	NH TMCP SÀI GÒN - HÀ NỘI	Done	Private	20/09/2019	2	500	6.80%			Inconvertible, unsecured
26	NH TMCP PHƯƠNG ĐÔNG	Done	Private	23/09/2019	3	500	6.60%			Inconvertible, unsecured
27	NH TMCP PHƯƠNG ĐÔNG	Done	Private	25/09/2019	3	500	6.60%			Inconvertible, unsecured
28	NH TMCP ĐÔNG NAM Á	Done	Private	20/09/2019	10	243		9.90%	3.00%	Inconvertible, unsecured
29	CTCP THỦY ĐIỆN ĐAKRÔNG	Done	Private	25/09/2019	3	100		11.00%	4.10%	Inconvertible, secured
30	CTCP ĐẦU TƯ ĐƯỜNG MẶT TRỜI	Done	Private	24/09/2019	2	250	10.00%			Inconvertible, unsecured

Source: VBMA Consolidated

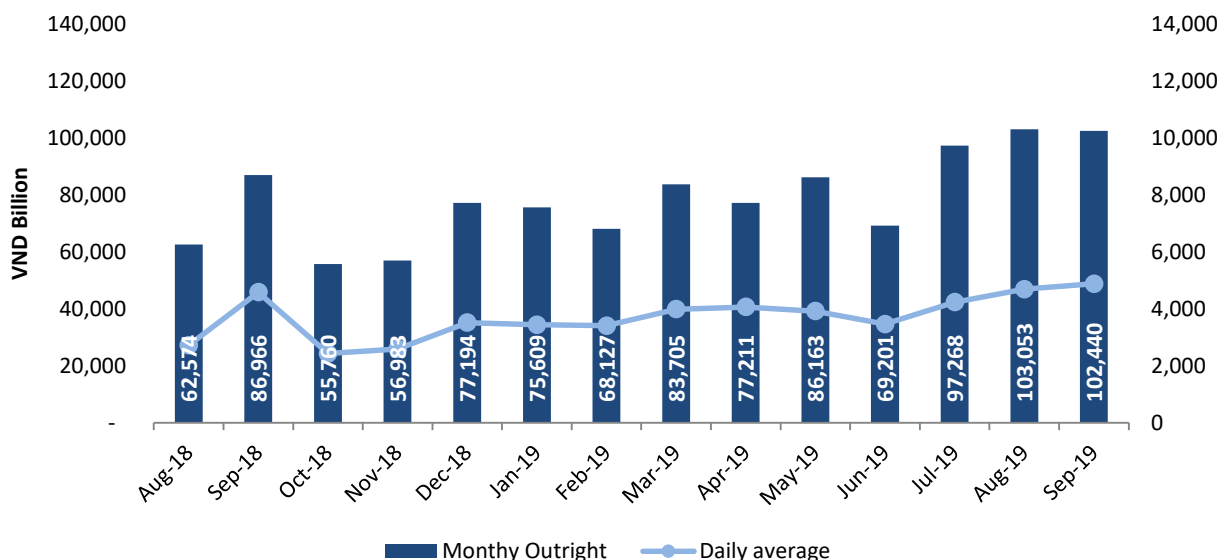
Secondary Market

In September 2019, the total value of Outright and Repo transactions of Government bonds, Government-guaranteed bonds and municipal bonds stood at VND 187,427bn.

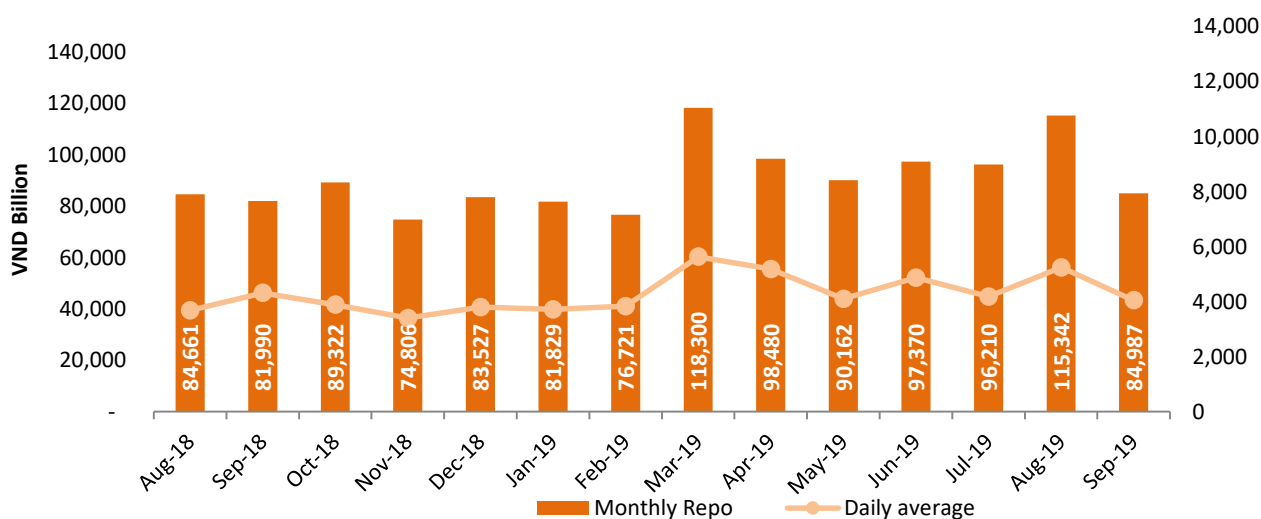
Outright transactions volume was VND 102,440 billion, 1% lower than August. Meanwhile, the figure for Repo transactions fell by 26% compared to the previous month, down to VND 84,987 billion.

During the month, Outright trading volume of foreign investors was VND 7,073 billion of purchase, and VND 4,832 billion of sale. For Repo transactions, there was no purchasing activity of foreign investors, while the selling value was VND 99 billion.

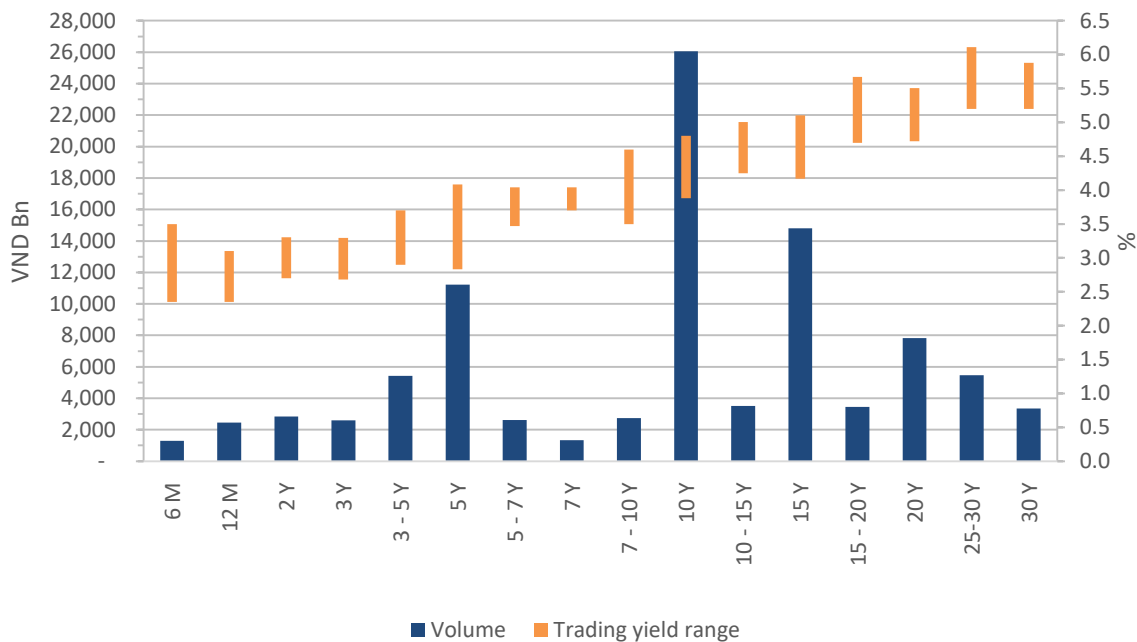
Outright trading volume



Repo trading volume



Trading volume and yield range by remaining tenor in September 2019



Bonds with largest Outright trading volume in August 2019

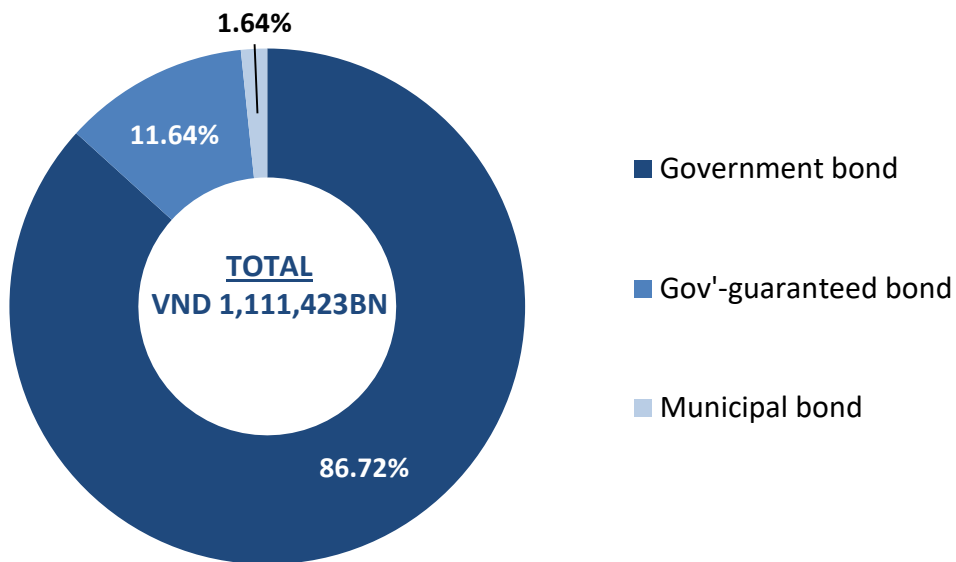
No	Issuer	Bond code	Volume (VND bn)	Initial Tenor (year)	Remaining Tenor (Year)	Yield range (%/year)
1	SBV	TD1939200	7,678	20	19.29	4.72 - 5.5063
2	SBV	TD1929178	5,370	10	9.33	3.88 - 4.7058
3	SBV	TD1929175	5,293	10	9.25	3.88 - 4.602
4	SBV	TD1934190	4,567	15	14.66	4.25 - 5.1028
5	SBV	TD1934191	4,265	15	14.81	4.17 - 5.1051
6	SBV	TD1724417	4,187	7	4.76	2.85 - 3.4981
7	SBV	TD1929179	4,139	10	9.81	3.88 - 4.3
8	SBV	TD1949205	3,359	30	29.31	5.2 - 5.8806
9	SBV	TD1934189	3,212	15	14.31	4.2 - 4.804
10	SBV	TD1924163	2,635	5	4.29	2.8999 - 3.453

Source: HNX, VBMA Consolidated

Government bonds accounted for the majority of total bond outstanding.

As of the end of 09/2019, the total outstanding value of Government bond, Government-guaranteed bond and municipal bond was VND 1,111,423 billion. In particular, the outstanding value of Governbond was VND 963,841 billion, while the figures for Government-guaranteed bond and municipal bond were VND 129,358 billion and VND 18,224 billion, respectively.

Outstanding bond value share at the end of September, 2019

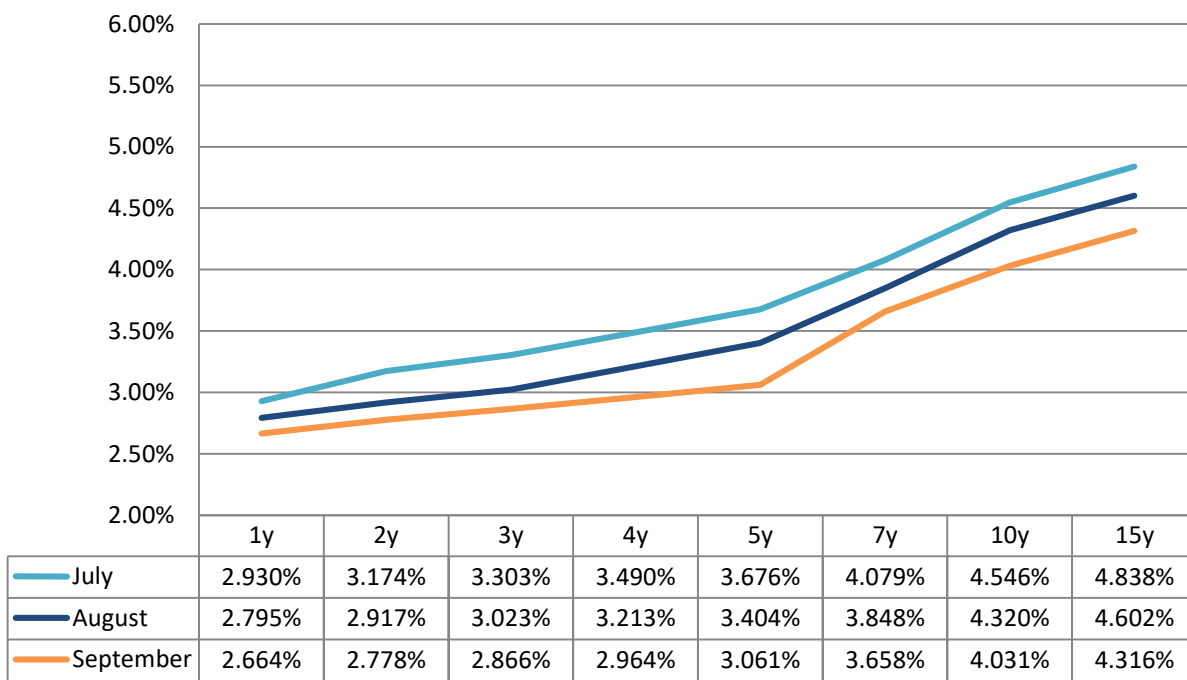


Source: HNX, VBMA Consolidated

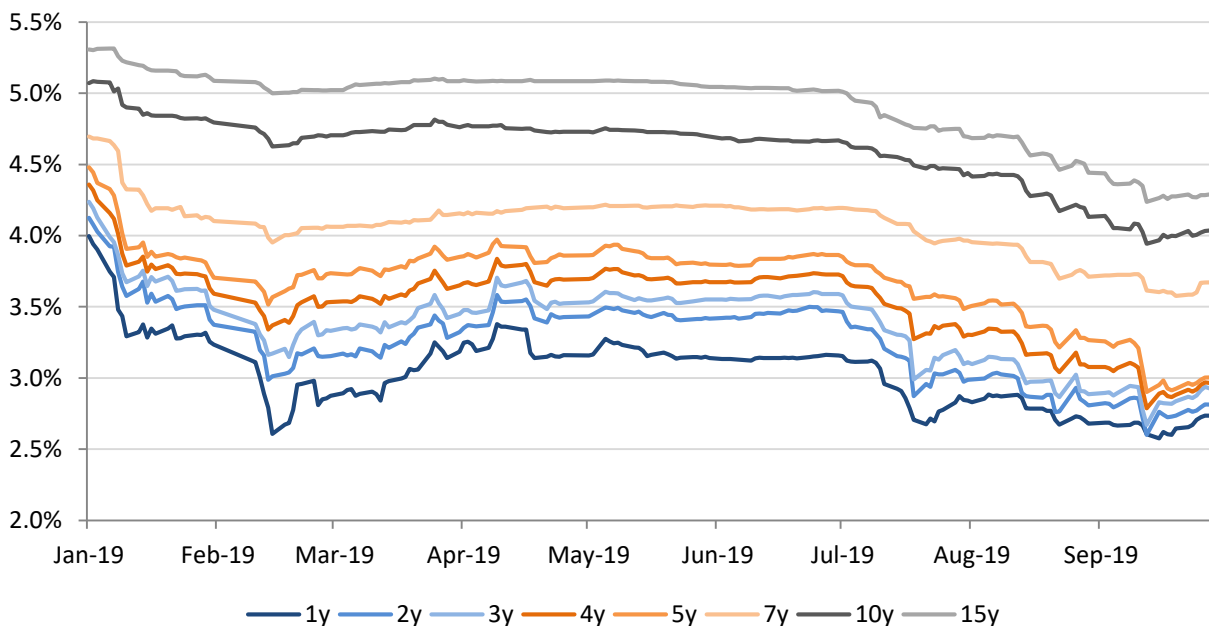
VBMA Government Bond Yield Fixing

According to data from VBMA's Market Makers, the average Government bond yield for all tenors in September continued to fall sharply in comparison to August. In particular, 5-year yield recorded the most significant decline of 34bps, down to 3.061%/y.

Average VBMA's Government Bond Yield Fixing in 3 months



VBMA Government Bond Yield Fixing

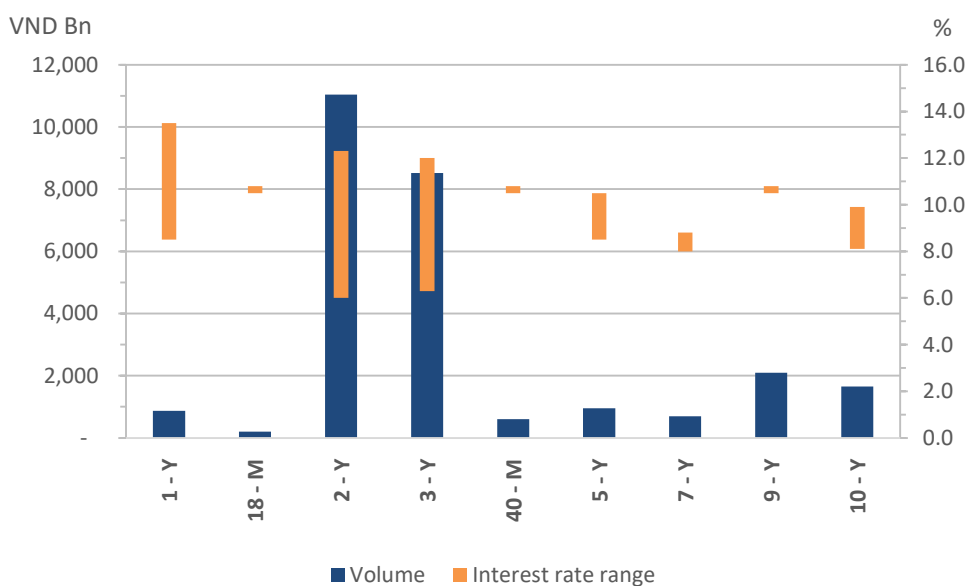


Source: VBMA

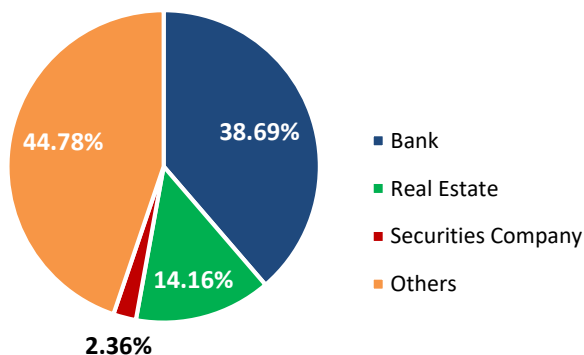
APPENDIX

Corporate bond issuance	Aug-2019	Cumulative 8M/2019
Registered issuance	80	534
Registered value (VND bn)	32,038	239,226
# Issuance	60	394
Issuance value (VND bn)	26,629	157,901
Average issuance tenor (year)	3.6	4.49
# Issuer	33	136

Corporate bond issuance volume and interest rate range 08/2019



Corporate bond issuance volume 08/2019



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

VIETNAM BOND MARKET ASSOCIATION

14th Floor, Tower A Vincom, 19 Ba Trieu Str., Hai Ba Trung Distr., Ha Noi

Tel: (84) 24 3974 8781

Fax: (84) 4 3974 8782

Website: www.vbma.org.vn

Disclaimer:

The information and opinions in this report are those of Vietnam Bond Market Association (VBMA) research activity. VBMA does not make any representation or warranty, express or implied, as to the fairness, accuracy, or completeness. While all reasonable care has no representation as to its accuracy or completeness and it should not be relied upon as such. VBMA accepts no liability whatsoever for any loss arising from use of this report or its contents. This report is being supplied solely for informational purposes and may not be reproduced, distributed or published by recipient for any purpose.