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VBMA Activities

MARKET NEWS

Government bond auction results in 07/2020

No.	Bond code	Issuer	Tenor (year)	Auction Date	Offering Value (VND bn)	Bidding Value (VND bn)	Winning Volume (VND bn)	Winning Yield (%/y)
1	TD2027009	State Treasury	7	01-07-20	500	2,151	-	
2	TD2030014	State Treasury	10	01-07-20	9,000	30,950	9,000	2.95
3	TD2035023	State Treasury	15	01-07-20	3,750	16,112	3,750	3.11
4	TD2040031	State Treasury	20	01-07-20	1,500	3,574	1,500	3.39
5	TD2025005	State Treasury	5	08-07-20	1,500	4,760	1,500	1.92
6	TD2030015	State Treasury	10	08-07-20	10,500	21,970	10,500	2.87
7	TD2035024	State Treasury	15	08-07-20	6,000	13,100	6,000	3.06
8	TD2040031	State Treasury	20	08-07-20	1,500	3,329	1,500	3.35
9	TD2030016	State Treasury	10	15-07-20	9,000	17,700	9,000	2.78
10	TD2035024	State Treasury	15	15-07-20	6,000	10,807	4,450	2.99
11	TD2040031	State Treasury	20	15-07-20	1,500	2,304	1,500	3.34
12	TD2050035	State Treasury	30	15-07-20	750	2,550	650	3.5
13	TD2035024	State Treasury	15	22-07-20	4,000	6,507	2,157	3.01
14	TD2040031	State Treasury	20	22-07-20	1,000	1,900	1,000	3.34
15	TD2050035	State Treasury	30	22-07-20	500	900	350	3.5
16	TD2025005	State Treasury	5	22-07-20	1,500	4,984	1,400	1.75
17	TD2030016	State Treasury	10	22-07-20	7,000	12,948	4,298	2.8

18	TD2025005	State Treasury	5	29-07-20	2,000	1,901	100	1.74
19	TD2030013	State Treasury	10	29-07-20	4,000	6,766	16	2.8
20	TD2035023	State Treasury	15	29-07-20	2,000	3,850	-	
21	TD2040031	State Treasury	20	29-07-20	1,000	1,018	-	

Source: HNX, VBMA Consolidated

Government Bond Payment Schedule in 08/2020

No	Bond code	Maturity (year)	Issuing Date	Actual Payment Date	Registered Value (VND bn)	Coupon rate (%)	Coupon Payment (VND bn)	Principal Payment (VND bn)	Total Coupon and Principal Payment
1	TD1621486	5	04-08-16	04-08-20	6,500.0	6.1	396.5	-	396.5
2	TD1631464	15	04-08-16	04-08-20	5,427.2	7.6	412.5	-	412.5
3	TL1535300	20	07-08-15	07-08-20	1,560.0	7.8	120.9	-	120.9
4	TD1833126	15	09-08-18	10-08-20	7,400.0	4.8	355.2	-	355.2
5	TD1621487	5	18-08-16	18-08-20	6,500.0	5.9	383.5	-	383.5
6	TD1828117	10	23-08-18	24-08-20	8,000.0	4.6	368.0	-	368.0
7	TD1623482	7	25-08-16	25-08-20	7,800.0	6.3	491.4	-	491.4
8	TD1424093	10	31-08-14	31-08-20	6,000.0	7.8	468.0	-	468.0

Source: HNX, VBMA Consolidated

Summary: Government Bond transaction on the secondary market in July 2020

In July 2020, the total volume of Outright and Repo transactions of Government Bond, Government-Guaranteed Bond and Municipal Bond were VND 235,980bn, increased 31% compared to June.

At the end of the month, the Outright transaction volume was VND 159,225bn, 38.5% higher than the figure in June. The average Outright transaction volume per session reached VND 6,923bn. Meanwhile, the Repo transaction volume continued to increase and reached VND 76,756bn, 17.4% higher than last month. The average Repo transaction volume per session reached VND 3,489bn. 10-year bonds had the highest trading volume within the month with the Outright trading value was VND 55,392bn, accounting for 34.8% of total Outright volume.

Foreign investors no longer maintained net buying of bonds with the net buying value in July was only about VND 43 billion, accounting for 1.88% compared to June.

Summary: Cooperate Bond issuance in the first 6 months of 2020

In the first 6 months of 2020, HNX's statistics showed that there were 818 private bond issues of 130 enterprises with a value of nearly VND 157 trillion. The tenors ranged from 1 year to 15 years and the tenor of 3 years had the highest total bond issuance value of VND 66,241,251,000,000, followed by the 5-year tenor with the total value of issued bonds of 21,356,300,000,000 VND. Credit institutions were still the enterprises with the highest value of bond issuance, accounting for 30.29% of the issuance scale with an average tenor of 4.55 years.

VBMA ACTIVITIES IN JULY

VBMA organized meetings with parties to reach agreements on several Drafts

After sending emails to our members asking for their comments on the Draft Circular on Guiding the repurchase of Government bonds, the Draft Circular guiding the replacement of Circular 34/2013/TT-NHNN on the issuance of valuable papers and the Draft Circular guiding amending and supplementing of Decree 163 in June 2020, in the morning of July 8th, 2020, on the 19th floor of Vincom Ba Trieu Tower A, VBMA held meetings to reach agreements on the three drafts with the participation of VBMA Representative, Head of VBMA Legal Department and Members' Representatives. The comments after the meeting were drafted into official documents to send to the SBV.

Workshop for discussion on Draft Decree replacing Decree 163/2018/ND-CP

VBMA coordinated and supported the Ministry of Finance to organize a workshop on the draft Decree on corporate bond issuance and transactions replacing Decree No. 163 on July 10th, 2020 at Ho Chi Minh City Stock Exchange, 16 Vo Van Kiet, District 1, HCM City.

New MMA Repo agreement came into force from July 13th, 2020

The old MMA agreement for Repo transactions was implemented since June 1, 2020, however, to improve liquidity and building a more reliable short-term interest rate curve, after reaching agreement with all the market makers, VBMA revised the MMA agreement for Repo transactions. The new agreement officially took effect from Monday, July 13th, 2020. Some updates of the new MMA Repo included:

- The number of members participating in the transaction decreased from 10 to 9 members because ACB bank did not use government-guaranteed bonds in Repo transactions while other market makers agreed that participants of the MMA Agreement must comply with all regulations under the MMA including the use of government-guaranteed bonds in trading.
- Trading hours change from 9:30 am to 10:30 am to 9:30 am to 10:30 am.
- Reference price is also applied for 02-month Standard Term transactions.
- The trading volume of the minimum bid is VND 50bn for each bid instead of VND 20bn as in the old MMA.

VBMA collected comments on draft Decree on sanctioning of administrative violations in the field of securities and securities market

The State Securities Commission drafted a draft decree on penalties for administrative violations in the field of securities and securities market to guide the new Securities Law (which will take effect from January 1, 2021) and replace Decree No. 108/2013 / ND-CP dated September 23, 2013, and Decree No. 145/2016 / ND-CP dated November 1, 2016 on "Regulations on sanctioning administrative violations in the field of securities and securities market". VBMA has sent an email to members asking for comments on this Draft and will collect all opinions to submit to the State Securities Commission.

VBMA welcomed new members in July 2020

In July, VBMA welcomed the joining of two new members: Vina Capital and Fiingroup. Hopefully, VBMA will grow bigger and together with all the members contribute to build an effective and professional market.

UPCOMING EVENTS

Due to the complicated situation of the Covid-19 pandemic, VBMA regretfully announced the cancellation of the two programs below in August 2020 in Da Nang city:

1. Workshop: Roadmap and the necessary preparations to apply International Financial Reporting Standards (IFRS) in Vietnam – Back Office Operation, Depository of electronic valuable papers at VSD and SBV.
2. Bond Market Policy Dialogue, Annual Bond Market Report 2019 Launching and VBMA Best Bond Award 2019 Ceremony.