

VBMA NEWSLETTER

May 2024



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MARKET NEWS

Government bond auction results in May 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	TD2429008	State Treasury	5	02/05/2024	3,000	3,200	3,000	1.66
2	TD2431013	State Treasury	7	02/05/2024	500	200	0	-
3	TD2434021	State Treasury	10	02/05/2024	2,500	2,361	1,060	2.55
4	TD2439030	State Treasury	15	02/05/2024	3,000	1,400	1,000	2.73
5	TD2454043	State Treasury	30	02/05/2024	1,000	885	0	-
6	TD2429008	State Treasury	5	08/05/2024	3,000	2,200	2,000	1.69
7	TD2434021	State Treasury	10	08/05/2024	3,000	4,001	2,800	2.58
8	TD2439031	State Treasury	15	08/05/2024	3,000	1,000	800	2.75
9	TD2444038	State Treasury	20	08/05/2024	1,000	1,026	400	2.83
10	TD2429008	State Treasury	5	15/05/2024	2,000	2,200	2,000	1.72
11	TD2431013	State Treasury	7	15/05/2024	500	200	0	-
12	TD2434021	State Treasury	10	15/05/2024	3,000	3,951	2,600	2.61
13	TD2439031	State Treasury	15	15/05/2024	3,000	1,205	755	2.78
14	TD2444038	State Treasury	20	15/05/2024	500	500	400	2.86
15	TD2454043	State Treasury	30	15/05/2024	1,000	1,100	1,000	3.03
16	TD2429008	State Treasury	5	22/05/2024	3,000	2,100	2,000	1.75
17	TD2434021	State Treasury	10	22/05/2024	3,000	3,751	2,200	2.66
18	TD2439031	State Treasury	15	22/05/2024	2,000	950	200	2.83
19	TD2444038	State Treasury	20	22/05/2024	500	100	0	-
20	TD2454043	State Treasury	30	22/05/2024	1,000	891	791	3.06
21	TD2429008	State Treasury	5	29/05/2024	2,500	1,100	1,000	1.8
22	TD2431013	State Treasury	7	29/05/2024	500	200	0	-
23	TD2434021	State Treasury	10	29/05/2024	3,000	3,351	0	-
24	TD2439031	State Treasury	15	29/05/2024	2,000	1,000	0	-
25	TD2454043	State Treasury	30	29/05/2024	1,000	50	50	3.1

Sources: HNX, collected by VBMA

In May 2024, the State Treasury of Vietnam (STV) called for 25 auctions of government bonds with the total offering value of VND 48,500 billion, the winning rate was 49.6%.

The STV called for auction of G-bonds at 5-year, 7-year, 10-year, 15-year, 20-year and 30-year, in which the 5 and 10-year tenors accounted for most of the winning value with VND 10,000 billion and VND 8,660 billion, respectively. The 15-year, 20-year and 30-year tenor were issued VND 2,755 billion (winning rate of 21.2%), VND 800 billion (winning rate 40%), and VND 1,841 billion (winning rate of 46%). Meanwhile, there was no winning bid for 7-year bonds. The average winning yield increased compared to last month.

The total issued value of government bonds by STV through auctions in the first 5 months of 2024 was VND 127,031 billion, equivalent to more than 31.8% of 2024's plan (VND 400,000 billion), of which the issued value of G-bonds in the first 2 months of Q2 was VND 46,802 billion, reached 39% of Q2's plan (VND 120,000 billion).

In May, the two policy banks did not issue G-guaranteed bonds.

The value of Outright transactions was VND 142,213 billion (increased 57.8% compared to the previous month) and Repo transactions was VND 85,818 billion (rose 1.6%).

The average daily Outright transaction value was VND 6,464 billion, and the average daily Repo transaction value was VND 3,901 billion. Compared to 2023's same period, May 2024's average outright transaction value rose 72% and the average repo transaction value climbed by 36%.

In May, the net bought value of foreign investors was VND 629 billion, bringing the net bought value since the beginning of the year to VND 324 billion.

In May 2024, Vietnamese government bond yields (according to VBMA's outright trading room) went sideways across all tenors compared to last month.

Yields for tenors under 3 years and above 10 years slightly increased from 2-5 bps, yields for 5-year and 7-year bonds mildly decreased from 1-4 bps. 4-year bonds' yields went sideways compared to the end of last month.

In May, the SBV resumed issuing 28-day bills worth VND 76,340 trillion and sold a large amount of USD to stabilize the exchange rate.

Corporate bonds issued in 2024:

According to data consolidated by VBMA as of 01/06/2024, there were 19 issuances of corporate bond through private placement in May 2024 with the issuing value of VND 16,695 billion and public offering. In the first 5 months of 2024, there were 58 private placements worth VND 51,032 billion and 6 public offerings worth VND 8,878 billion. Among the private placements, 8.5% of the issuance value was credit-rated.

In May 2024, enterprises redeemed VND 9,178 billion of corporate bonds, 68% lower compared to the same period of 2023. In the last 7 months of 2024, there will be VND 163,905 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 01 June 2024.

VBMA ACTIVITIES IN MAY 2024

VBMA Executive Committee meeting on May 8th, 2024 in Ha Noi

On May 8th, 2024, the VBMA Executive Committee met to review the activities in 2023 and discuss the operating plans for 2024. Besides, the Executive Committee also discussed completing the proposal for the personnel arrangement in the 5th term before seeking VBMA members' opinions. The 5th General Assembly is planned to be held in June 2024 and the Interbank Offsite event will likely be organized in July 2024.

VBMA had meetings with Bloomberg

On May 8th, 2024 and May 30th, 2024, VBMA's representatives had meetings with Bloomberg's representatives in Vietnam regarding issues related to Government bond pricing.

VBMA had a discussion with Murex Vietnam

On May 9th, 2024, VBMA's representatives had a discussion with Murex's representatives in Vietnam regarding the potential for cooperation in the future.

VBMA provides daily corporate bonds' transaction data

From May 14th, 2024, VBMA has provided daily privately-placed corporate bonds' trading data to help members access the complete data most conveniently.

VBMA participated in the Conference about “Developing the Corporate bond market by 2030: A perspective from credit ratings”

VBMA's representatives participated in the Conference about “Developing the Corporate bond market by 2030: A perspective from credit ratings” organized by Vietnam Economics Times (VnEconomy), Moody's Ratings and VIS Rating on May 16, 2024, in Hanoi. VBMA representatives was the moderator of two panel discussions of the Conference.

VBMA successfully organized the Training Course on Structured Products

On May 21st and 22nd 2024, VBMA organized the Training Course on Structured Products in Ha Noi.

On the first day, Mr. Julien Blocman - Director, Structuring Team - BNP Paribas presented the introduction to Interest Rate Derivatives, Cross Currency Swap (CCS) and other structured products.

The second day of the training course covered the following topics:

- Introduction to ISDA Master Agreements covered by Mr. Nguyen Hoang Anh, Managing Partner, ICML
- Practical application of Structured Products covered by Mr. Le Quan Trung, Head of Treasury, VIB
- Derivatives Accounting and Case study covered by:

- + Ms. Le Nhat Vuong – Auditing Director - KPMG
- + Ms. Bui Thu Huong – Head of Treasury Back Office – BIDV
- + Mr. Vo Tri Thanh – Director of Customer Service & Treasury Back Office - Vietcombank
- + Ms. Nguyen Thi Thu Giang – Deputy Director of Customer Service & Treasury Back Office - Vietcombank.

VBMA had a discussion with Fidelity National Information Services (FIS)

On May 24th, 2024, VBMA's representatives had a discussion with Fidelity National Information Services (FIS)'s representatives in Vietnam regarding the opportunities for cooperation in the future.

Blue Bridge Investment Partners and Credit Guarantee & Investment Facility (CGIF) becoming members of Vietnam Bond Market Association.

VBMA is pleased to welcome Blue Bridge Investment Partners JSC and Credit Guarantee & Investment Facility (CGIF) to become members of the Association. VBMA hopes that with the active participation of Blue Bridge Investment Partners JSC and CGIF, VBMA together with our members will build a professional, efficient, and dynamic bond market for Vietnam.

On May 27th, 2024, VBMA's representatives had a meeting with Credit Guarantee & Investment Facility (CGIF)'s representatives in Vietnam regarding the cooperation opportunities in the future.

VBMA released “Report of Bond markets and Macroeconomy survey Q2/2024”

VBMA released “Report of Bond markets and Macroeconomy survey Q2/2024” on May 28, 2024 at: <https://vbma.org.vn/en/survey> to provide a source of reference to members.

The survey questionnaires are sent to all members in the second week of February, May, August and November. The results are released in the last week of the same month.

VBMA sent Letters of Comment on the “Draft Circular prescribing issuance of domestic deposit certificates” and “Draft Decree on financial policies for credit institutions, foreign bank branches and financial supervision”

VBMA has compiled opinions from members and sent Letters of Comment on the “Draft Circular prescribing issuance of domestic deposit certificates” on May 17, 2024 and “Draft Decree on financial policies for credit institutions, foreign bank branches and financial supervision” on May 31st, 2024.

VBMA had a discussion with World Bank

On May 31st, 2024, VBMA's representatives had a discussion with World Bank's representatives in Vietnam about the Government bond market and cooperation opportunities in the future.

UPCOMING EVENTS OF VBMA

The 5th General Assembly

The 5th General Assembly of VBMA is expected to be held in June 2024.

Interbank Offsite 2024 and the 15th Anniversary of VBMA's Establishment

Interbank Offsite 2024 and the 15th Anniversary of VBMA's Establishment are expected to be held in July 2024.



Thank you for reading this issue of VBMA monthly newsletter
If you want to sign up to receive this newsletter, please contact us at:

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We would like to thank you for your contribution

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<https://vbma.org.vn>