

# VBMA NEWSLETTER

February 2024



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## MARKET NEWS

### Government bond auction results in February 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	TD2434019	State Treasury	10	07/02/2024	3,000	11,151	3,000	2.29
2	TD2444038	State Treasury	20	07/02/2024	500	270	170	2.65
3	TD2429007	State Treasury	5	07/02/2024	2,000	3600	2,000	1.4
4	TD2439029	State Treasury	15	07/02/2024	2,500	4,050	2,500	2.49
5	TD2439029	State Treasury	15	21/02/2024	3,750	7,513	3,750	2.5
6	TD2454043	State Treasury	30	21/02/2024	500	500	0	-
7	TD2429007	State Treasury	5	21/02/2024	2,000	3,000	2,000	1.41
8	TD2434019	State Treasury	10	21/02/2024	4,500	12,760	4,500	2.3
9	TD2444038	State Treasury	20	28/02/2024	500	100	0	-
10	TD2434019	State Treasury	10	28/02/2024	4,500	14,274	4,500	2.31
11	TD2439029	State Treasury	15	28/02/2024	3,750	7,565	3,750	2.51
12	TD2429007	State Treasury	5	28/02/2024	2,000	3,250	2,000	1.42

**Sources: HNX, collected by VBMA**

**In February 2024, the State Treasury of Vietnam (STV) called for 12 auctions of government bonds with the total offering value of VND 29,500 billion, the winning rate was 95.5%.**

The STV called for auction of G-bonds at 5-year, 10-year, 15-year, 20-year and 30-year, in which the 10 and 15-year tenors continued to account for most of the winning value with VND 12,000 billion and VND 10,000 billion, respectively. The 5-year, and 20-year tenor were issued VND 6,000 billion (winning rate of 100%), and VND 170 billion (winning rate of 17%). There was no winning bid for 30-year bonds. The average winning yield slightly increased compared to last month.

The total issued value of government bonds by STV through auctions in February 2024 was VND 47,679 billion, equivalent to almost 12% of 2024's plan (VND 400,000 billion) and 37.5% of the Q1/2024 plan (VND 127,000 billion).

**The value of Outright transactions was VND 87,763 billion (decreased by 41.4% compared to the previous month) and Repo transactions was VND 62,040 billion (rose by 20.6%).**

The average daily Outright transaction value was VND 5,485 billion, and the average daily Repo transaction value was VND 3,878 billion. Compared to the same period last year, February 2024's average outright transaction value climbed by 50% and the average repo transaction value doubled.

In February, foreign investors net sold VND 852 billion of Government bonds, bringing the net sold value since the beginning of the year to VND 415 billion.

**In February 2024, Vietnamese government bond yields (according to VBMA's outright trading room) slightly decreased across short tenors and remained static at the others.**

Yields for tenors under 5 years mildly declined from 6 bps to 13 bps. Meanwhile 10-year and 15-year bonds' yields slightly rose by 8-10 bps, yields of the other tenors went sideways compared to the end of last month.

In February, the State Bank of Vietnam bought 7-day valuable papers with worth over VND 6,000 billion.

#### **Corporate bonds issued in 2024:**

According to data consolidated by VBMA as of 01/03/2024, there were 3 issuances of corporate bond under private placement in January 2024 with the issuing value of VND 1,165 billion. Followed by the gloomy primary market in January, the issuance value in February was tiny compared to the figure in 2023 as some articles in Decree 65/2022/ND-CP came back into effect and tightened regulations on corporate bond issuance, such as articles regarding identifying professional individual investors and requiring credit ratings before issuance.

In February 2024, enterprises redeemed VND 2,056 billion of corporate bonds, 68% lower compared to the same period of 2023. In the last 10 months of 2024, there will be VND 255,732 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 March 2024.

## VBMA ACTIVITIES IN FEBRUARY 2024

### **VBMA had a meeting with Global Green Growth Institute (GGGI)**

On February 1<sup>st</sup>, 2024, VBMA had a meeting with Global Green Growth Institute (GGGI) representatives to discuss the opportunities for cooperation in the coming time.

### **VBMA had a discussion with Mizuho bank**

On February 1<sup>st</sup>, 2024, representatives from VBMA and Mizuho Bank had a meeting at the Association's office. During the meeting, the Mizuho Bank representatives expressed their interest in understanding the Vietnamese bond market and the requirements to become a member of VBMA.

### **VBMA organized a meeting with London Stock Exchange Group (LSEG)**

On February 2<sup>nd</sup>, 2024 and February 22<sup>nd</sup>, 2024, London Stock Exchange Group (LSEG) representatives and VBMA discuss cooperation opportunities related to the VBMA FX Swap Fixing curve.

### **VBMA organized a meeting with Bloomberg**

On February 20<sup>th</sup>, 2024, VBMA continued to have a meeting with Bloomberg representatives to discuss issues related to VBMA FX Swap Fixing, government bond valuation and future cooperation opportunities.

### **VBMA Chairman participated in the conference on developing the securities market in 2024 chaired by the Prime Minister**

On February 28<sup>th</sup>, 2024, the Chairman of Vietnam Bond Market Association (VBMA) - Mr. Nguyen Thanh Tung participated in a conference on developing the securities market in 2024 chaired by the Prime Minister Pham Minh Chinh. At the conference, leaders of ministries, diplomatic agencies, international organizations, and securities market participants discussed and evaluated securities market activities in 2023 and outlined the tasks for 2024.

## UPCOMING EVENTS OF VBMA

### Training program: Fixed Income Fundamentals

The Vietnam Bond Market Association (VBMA) – with the support of the World Bank - will organize the Training Course on Fixed Income Fundamentals on 12, 13 & 14 March 2024 at Sheraton Hanoi Hotel, K5 Nghi Tam, 11 Xuan Dieu, Tay Ho, Ha Noi.

Fixed Income Fundamentals is an introductory level programme intended for anyone seeking a sound foundation in the analysis of fixed income securities. The syllabus offers an overview of fixed income market products and participants, explains the key features of fixed income securities including government bonds, corporate bonds and many more.

For more information about the training program, please visit VBMA website at: [Training program: Fixed Income Fundamentals.](#)

### Training course: Bond Trading and Valuation

The Vietnam Bond Market Association (VBMA) – with the support of the World Bank - will organize the Training Course on Bond Trading and Valuation on 18, 19 & 20 March, 2024 at Sheraton Saigon Hotel, 88 Dong Khoi, District 1, Ho Chi Minh City.

Investors in fixed income markets make money by taking exposure to interest rate, credit, and other risks. But constructing trades that express specific views about the yield curve or exploit relative value opportunities in credit and inflation markets requires careful consideration of those risks, and multiple factors determine whether a trade will make a profit or a loss. This course explains how financial market professionals create, analyze, and assess yield curve, breakeven inflation, and credit relative value trades. This trading activity in turn affects financing opportunities and funding costs for sovereign and corporate issuers in fixed income markets.

For more information about the training program, please visit VBMA website at: [Training course: Bond Trading and Valuation.](#)



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We would like to thank you for your contribution

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