

Economic Flash

Slight pickup amidst persistent global challenges

The economy re-accelerates in the tough time

According to GSO's estimates, Vietnam's GDP (at 2010 constant price) re-accelerated in 2Q23 by growing by 4.14% YoY, 86bps-higher than the previous period. The services sector mainly made up the economic expansion this quarter and the turnaround of IC (industry and construction sector) added points to the whole index. Although surpassing the market assessment, the actual GDP growth is much lower than the expected value in the eco-socio missions for 2023. We predict the real GDP must grow by 8.98% YoY for each remaining quarter to meet 2023's goal.

Retail sales decelerate on weak purchasing power

In the midst of an economic slowdown and diminished purchasing power, the government's policy support measures have shown limited impact on the economy, leading to a loss of double-digit growth momentum in retail sales. Total retail sales in June recorded the lowest year-over-year growth of 6.54% since January 2022. However, foreign tourist arrivals in Vietnam continued their upward trajectory in June, reaching 975,000 visits, marking a remarkable increase of 311.96% YoY.

CPI accelerates on rising electricity and food prices

According to the latest data of GSO, FFS (food and foodstuff) as well as traffic played a significant role in driving the inflation to increase 0.27% MoM in May. To be more specific FFS and traffic, and housing and construction materials (HCM) experienced increases of 0.57% MoM, 0.16% MoM, and 0.07% MoM, respectively, contributing 19 basis points (bps), 2bps, and 1bps to the overall CPI increase, respectively. headline CPI in June rose at a slower pace, slipping from 2.43% YoY in May to 2.00% YoY in June. This marks the lowest CPI since March-22. Moreover, core inflation also exhibited signs of cooling down, indicating that the government's inflation target of 4.5% is attainable.

KIS leading economic index

	3Q22	4Q22	1Q23	2Q23	2020	2021	2022
GDP (%)	13.67	5.92	3.32	4.14	2.91	2.58	8.02
Trade balance (USD bn)	5.78	4.44	4.07	7.41	19.86	4.00	11.20
CPI (%)	3.32	4.41	4.18	2.41	3.24	1.84	3.15
Discount rate (%)	3.50	4.50	3.50	3.00	2.50	2.50	4.50
USD/VND	23,712	23,658	23,480	23,567	23,252	22,936	23,658
US GDP (% yoy)	NA	NA	NA	NA	(3.40)	5.60	NA
China GDP (% yoy)	NA	NA	NA	NA	2.20	8.00	NA

Source: GSO, SBV, Bloomberg, KIS

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I. The economy re-accelerates in the tough time

According to GSO's estimates, Vietnam's GDP (at 2010 constant price) re-accelerated in 2Q23 by growing by 4.14% YoY, 86bps-higher than the previous period. The services sector mainly made up the economic expansion this quarter and the turnaround of IC (industry and construction sector) added points to the whole index.

Figure 1. Historical GDP growths and sectoral contribution

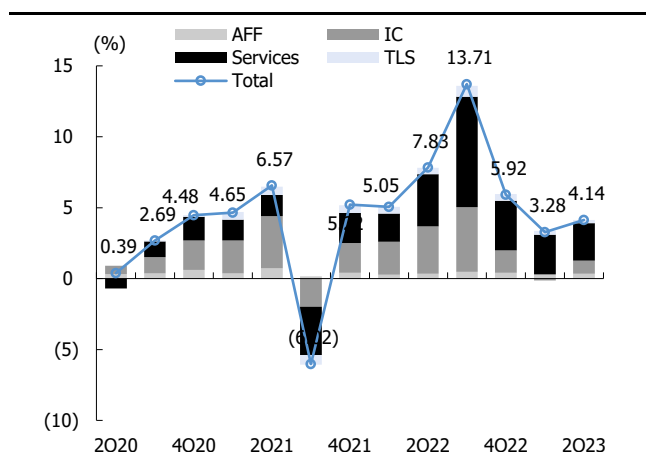
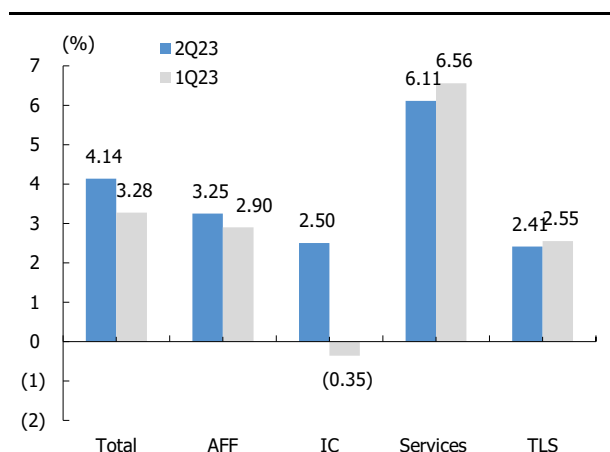


Figure 2. GDP growth by main sector

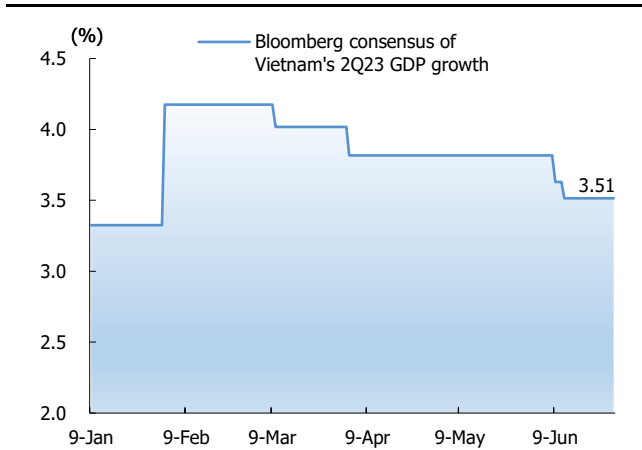


Source: KIS, GSO
 Notes: AFF= agriculture, forestry, and fishery; IC = industry and construction; TLS = taxes less subsidies on products.

Regarding market assessment, the actual economic growth surpassed the downgrading consensus. According to Bloomberg, the estimated value for 2Q23's economic growth reached 3.51% YoY, 63bps lower than the realized value, this quarter after the series of revising down from investment professionals. For instance, GS (Goldman Sachs) reduced their forecast of GDP growth for 2Q23 from 4.20% YoY in March-late to 3.00% in June when realizing that the new order shortage might endure more than expected. Relative to the government's assessment, this quarter marked the second time that the actual economic growth rate was much lower than what was pointed out in the eco-socio missions for 2023. Hence, it seems challenging for the government to meet the initial growth plan of 6.5% YoY. We estimate that the GDP growth rate for 3Q23 and 4Q23 must equal 8.98% YoY to meet 2023's goal.

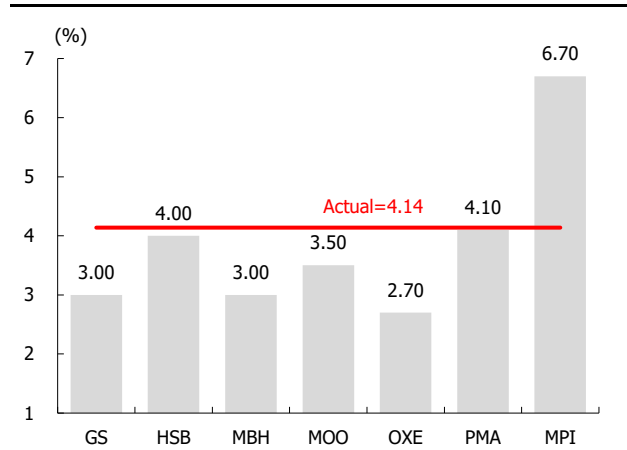
Regarding second-leveled sectors, IC returned to the green territory by growing 2.50% YoY after declining by 0.35% YoY in 1Q23. All sub-item in IC recorded the improvement with manufacturing notably increasing by 1.18% YoY after recording a reduction of 0.49% YoY in the previous quarter. More notably, construction accelerated with a growth rate of 7.05% YoY thanks to the high workload from public investment despite the gloomy real estate sector.

Figure 3. Bloomberg's consensus of Vietnam's 2023 GDP growth



Source: KIS, GSO

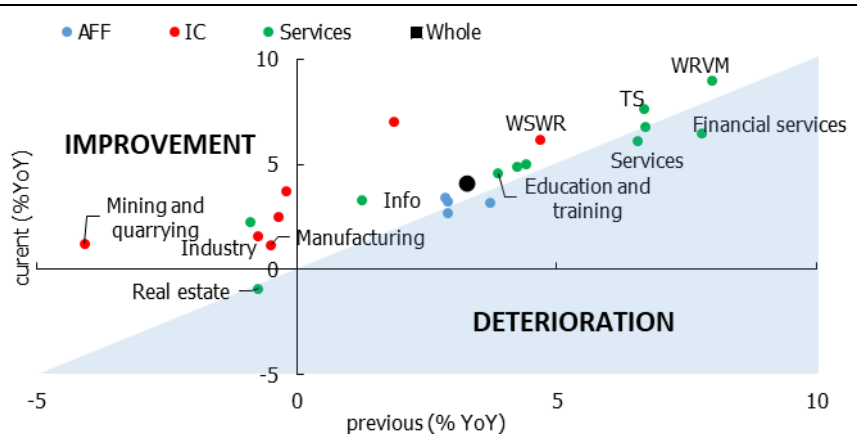
Figure 4. Vietnam's 2023 GDP growth forecast by institution



Source: GSO, Bloomberg, KIS
 Notes: GS= Goldman Sachs; HSB= HSBC Holdings; MBH= Maybank Kim Eng Holdings Ltd; MOO= Moody's; OXE= Oxford Economics; PMA= Pantheon Macroeconomic Advisors; MPI= Vietnam's ministry of planning and investing.

In the services sector, half of the items accelerated while the remaining group recorded a slowdown. On the downside, AC (accommodation and catering services) decelerate significantly under the fading low-base effect when growing by 7.71% YoY, 15.18 percent points lower than the rate of 1Q23. Similarly, the growth rate for AASS (administrative activity and supporting service) was 6.26ppts lower than what recording in 1Q23. Furthermore, financial services (finance, banking, and insurance) and RE (real estate business) slightly deteriorated due to the troublesome corporate bond market triggered in 2H22. On the other hand, WRVM (wholesales, retail, vehicles, and motorcycles repairs), TS (transportation and storage), and Info (information and communication) speeded up modestly by growing by 8.98% YoY, 7.66% YoY, and 3.31% YoY, 1.00ppts-, 0.98ppts-, and 2.04ppts-higher than the previous period.

Figure 5. Economic growth by sub-sector



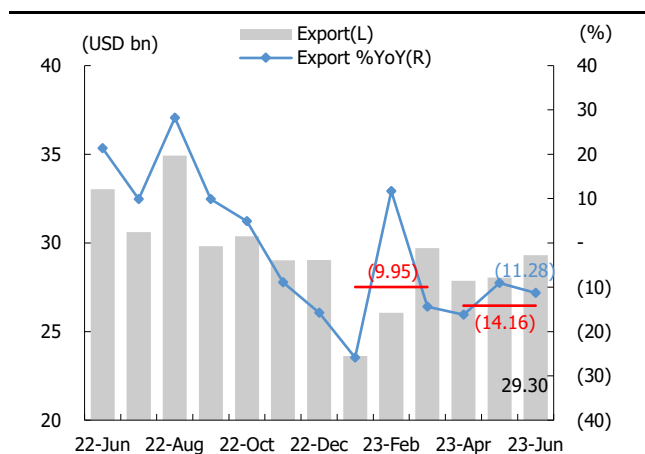
Source: KIS, GSO
 Notes: green dot indicates industry in services sector (Services); red dot indicates industry in industry and construction (IC) sector; blue dot indicates business in agriculture, forestry, and fishery sector (AFF). TLS = taxes less subsidies on products; WRVM: retail sales, wholesales, and sales of vehicles, motorcycles; TS = transportation and storage; Info = information and telecommunication; AC = accommodation and catering; WRVM= wholesales, retails, vehicles and motorcycles repairs; WSWR= water supply; sewerage, waste management and remediation activities;

II. A gloomy export on the slowing U.S. consumption

Export's decline has increased

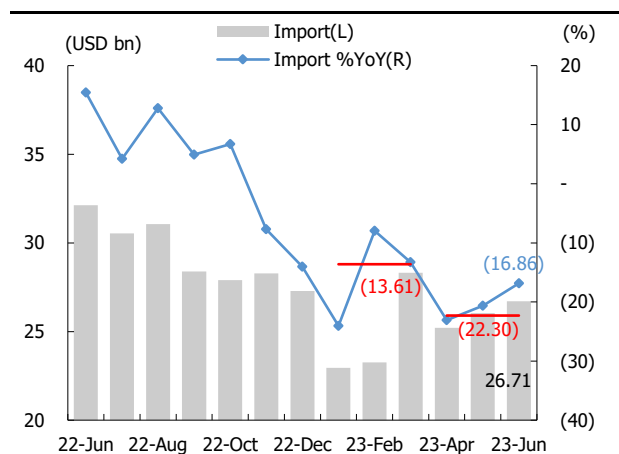
According to GSO, export value in June recorded another reduction even with a higher rate than the previous month under the slowing consumption in Vietnam's trading partners, especially the U.S. In the opposite direction, export to China grew modestly this month thanks to the recovery momentum in the post-ZeroCovid period, mitigating the reduction in the total export. Specifically, Vietnam's export and import values decreased by 11.28% YoY and 16.86% YoY to USD29.30bn and USD26.71bn, creating a surplus of USD2.59bn this month. Taking the breakdown at the item level, METI (machines, equipment, tools, and instruments), TG (textiles and garments), CEPP (computers, electric products, and parts), and footwear primarily contributed to the drop in export value this month. Oppositely, export values of agricultural products, such as rice, fruits, and vegetables, grew further, easing the downturn of the total value.

Figure 6. Vietnam monthly export



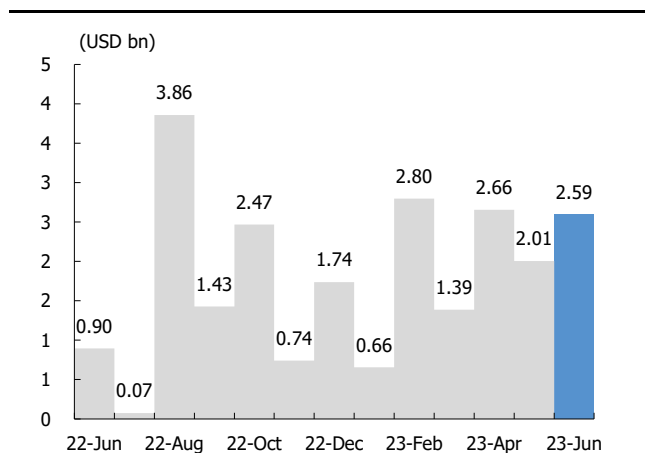
Source: GSO, Vietnam Custom, KIS

Figure 7. Vietnam monthly import



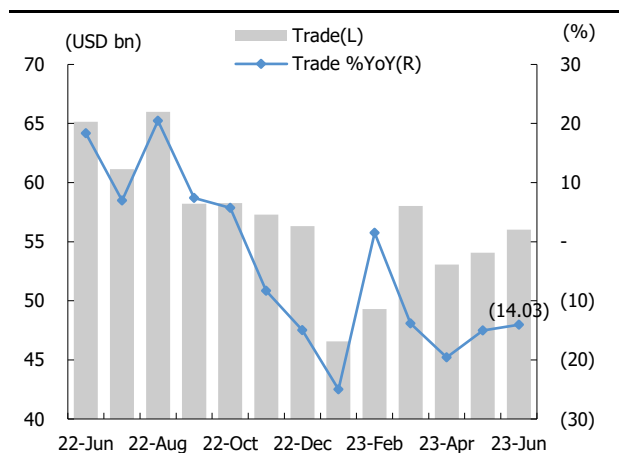
Source: GSO, Vietnam Custom, KIS

Figure 8. Vietnam's monthly total trade



Source: GSO, Vietnam Custom, KIS.

Figure 9. Vietnam's monthly trade balance



Source: GSO, Vietnam Custom, KIS

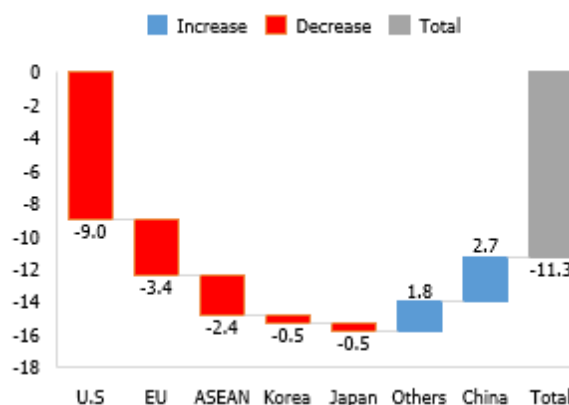
Gloomy trade activities, especially to U.S. and Europe, mainly reflected the prevailing situation of fewer new orders widely mentioned in recent PMI reports. Vietnam, as an assembler, in the global value chain was also under the negative impact when buyers became more sensitive to financial constraints in the global phenomenon of high interest rate.

Figure 10. Vietnam export and U.S. retail sales relation



Source: GSO, Vietnam Custom, KIS

Figure 11. Vietnam's export contribution by trading partner in June

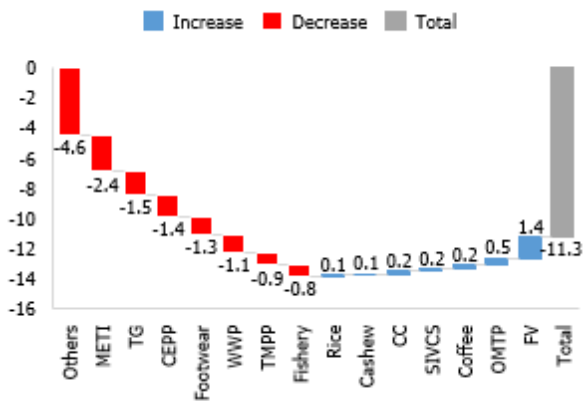


Source: GSO, Vietnam Custom, KIS

In the export structure, the electronics group mainly contributed to the export reduction in May. More specifically, export values of CEPP, TMPP, and METI reached USD4.70bn, USD4.10bn, and USD3.25bn, decreasing by 9.06% YoY, 6.64% YoY, and 17.79% YoY. They jointly dragged the total export value down by 4.36ppts this month. Besides, the export value of TG (textile and garment) and footwear in June dropped notably by 16.60% YoY and 17.54% YoY, subtracting 1.44ppts and 1.17ppts from the overall growth rate, respectively. In the opposite direction, due to the surging demand from China and ASEAN block, export values of agricultural products grew impressively and eased significantly the downturn of export activities. Most notably, the export value of FV (fruits and vegetables) reached USD0.72bn, roughly doubling that value in the same period last year and adding 1.40ppts to the total export value.

In the import structure, besides the reduction in the electronics group, raw materials for industrial production reduced notably and mainly contributed to the decline of the total value. More specifically, the import values of TMPP and METI were USD0.45bn and USD3.65bn, decreasing by 68.5% YoY and 10.5% YoY and dragging the total import by 3.00ppts and 1.40ppts, respectively. In the group of raw materials, import values of IS (iron and steel), coal, and plastics were USD0.79bn, USD0.72bn, and USD0.84bn, reducing by 43.05% YoY, 37.94% YoY, and 23.78% YoY, respectively. These three items joint dragged the total import down by 4.03ppts this month.

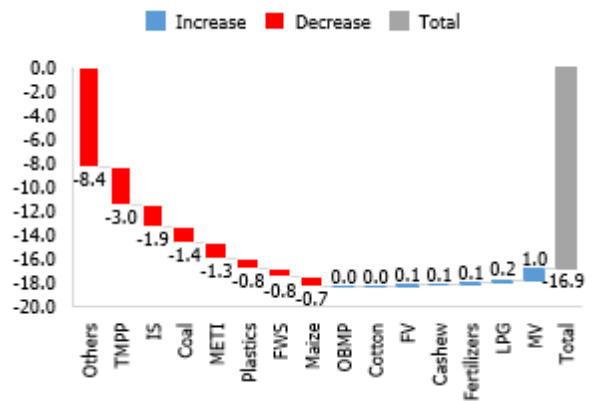
Figure 12. Vietnam's export contributors



Source: GSO, Vietnam Custom, KIS

Notes: TMPP= Telephones, mobile phones & spare parts; CEPP= computers, electric products & parts; METI= Machines, equipment, tools, and instruments; WWVP= Wood and wooden products; TG= Textiles and garments; CC= Clinker and cement; SIVCS= Still image, video cameras, and parts; PPP= Paper and paper products; OMTP= Other means of transportation, parts, and accessories; FV= Fruits and vegetables.

Figure 13. Vietnam's import contributors



Source: GSO, Vietnam Custom, KIS

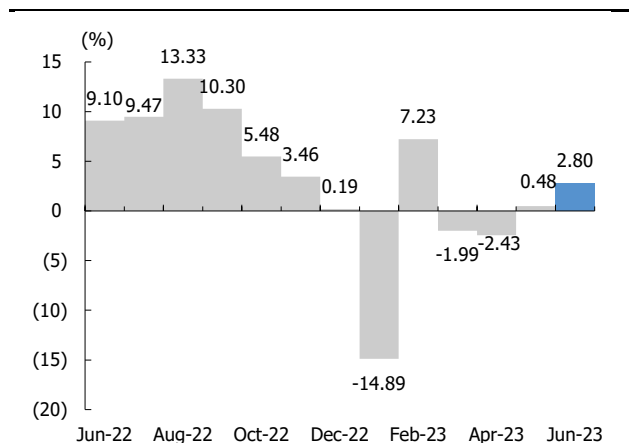
Notes: TMPP= Telephones, mobile phones & spare parts; CEPP= computers, electric products & parts; METI= Machines, equipment, tools, and instruments; OBMP= Other base metal products; CO= Crude oil; MV= Motor vehicles; SIVCS= Still image, video cameras, and parts.

III. Industrial production widely speeds up

Industrial production grows across sectors

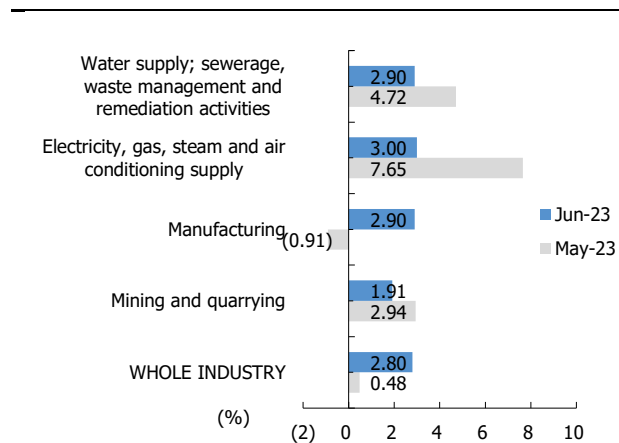
The industrial production shows some signs of improvement by growing modestly by 2.8% YoY in June. This was mainly due to the acceleration of all sectors, including manufacturing, EGSA (electricity, gas, steam, and air conditioning supply), water supply, waste management and remediation activities, and MQ (mining and quarrying). According to GSO, manufacturing sector experienced a turn around by increasing 2.90% YoY, recovery from the negative growth rate at -0.9%YoY in the previous month, although demand remained weak due to few new orders. The performances of the EGSA (production of electricity, gas, steam, and air conditioning supply) and MQ (mining and quarrying) sectors also witnessed a modest rise this month with growth rates of 3.00% YoY, and 1.90% YoY, 4.65ppts- and 1.03ppts-lower than May. Thus, the recovery of all sectors this month has supported the whole industry to rebound. Overall, the production index for the broad sector turned into a slight increase of 2.80% YoY from the previous modest increase of 0.48% YoY.

Figure 14. IIP % YoY by month



Source: GSO, KIS
Notes: we adjust IIP growth rate by the % YoY change in no. working days to yield adjusted IIP growth rate.

Figure 15. Movements of 1st-levelled sectors



Source: GSO, KIS

This month, significant improvements were observed in key second-level sectors, playing a major role in the overall industry rebound. Notably, the food sector exhibited accelerated growth of 9.90% YoY, surpassing its May rate by 3.74ppts. Similarly, the manufacturing of electrical equipment showed a faster pace of expansion, with a YoY growth rate of 10.80%, surpassing the May data by 2.09ppts. Textile manufacturing also experienced a sharp increase, rising by 6.40% YoY compared to a 2.60% YoY in the previous month, despite gloomy export turnover for this product. In contrast, the manufacture of computer, electronic, and optical products (CEOP) reversed its trend, recovering from negative growth last month and recording a slight YoY growth of 0.10% compared to a decline of 6.5% YoY in the previous month.

Table 1. Movements of notable 2nd -levelled sectors

Sector	Classification	Previous (%)	Current (%)
Manufacture of food products		6.16	9.90
Manufacture of beverages		(4.48)	6.80
Manufacture of textiles	Key	2.62	6.40
Manufacture of computer, electronic and optical products		(6.47)	0.10
Manufacture of electrical equipment		8.71	10.80
Manufacture of machinery and equipment		(13.83)	(8.20)
Manufacture of electrical equipment		8.71	10.80
Manufacture of other transport equipment		11.29	10.80
Manufacture of chemicals and chemical products	Best	10.03	10.60
Manufacture of food products		6.16	9.90
Sewerage and sewer treatment activities		8.11	9.90
Mining support service activities		(20.25)	(36.30)
Manufacture of wood and of products of wood and cork		(15.83)	(17.10)
Repair and installation of machinery and equipment	Worst	9.29	(15.20)
Manufacture of machinery and equipment		(13.83)	(8.20)
Other manufacturing		(1.09)	(7.40)

Source: GSO, KIS

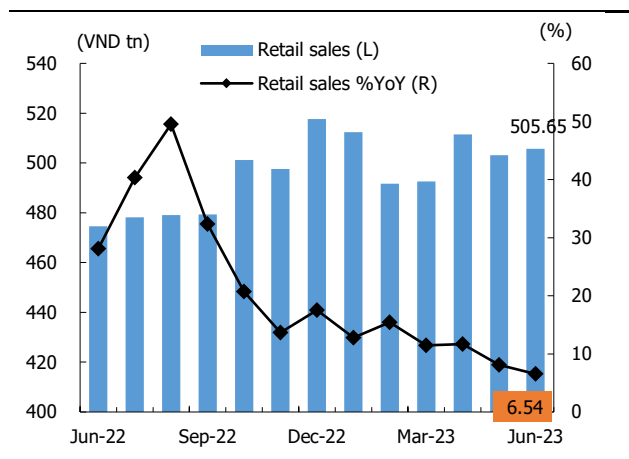
IV. Retail sales decelerate on weak purchasing power

Retail sales lose two-digit growth momentum

In the midst of an economic slowdown and diminished purchasing power, the government's policy support measures have shown limited impact on the economy, leading to a loss of double-digit growth momentum in retail sales. Total retail sales in June recorded the lowest year-over-year growth of 6.54% since January 2022. The figure has been revised downwards from 11.54% YoY last month to 8.11% YoY, indicating a continuation of the deceleration for the second consecutive month.

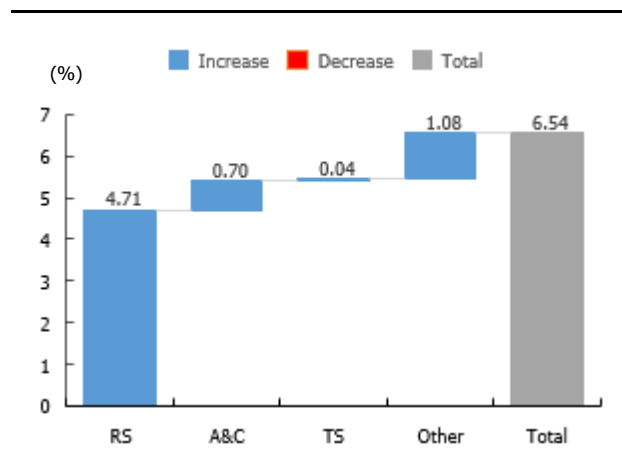
Within the total retail sales growth of 6.54% YoY, the retail sector remained the primary driver, contributing 4.71% to the overall figure. In contrast, the contribution of travel services dropped significantly to a negligible 0.04% due to the fading low base effect (7.84% YoY this month compared to 44.24% YoY last month).

Figure 16. Monthly retail sales



Source: GSO, KIS

Figure 17. Components of retail sales



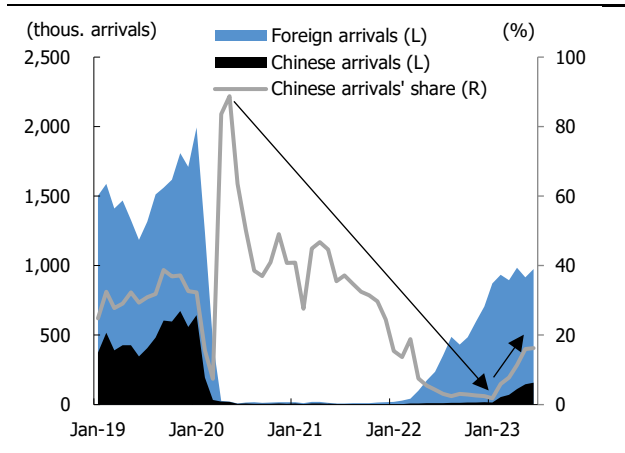
Source: GSO, KIS

Chinese tourists keep recovering

Foreign tourist arrivals in Vietnam continued their upward trajectory in June, reaching 975,000 visits, marking a remarkable increase of 311.96% YoY. In 1H23, there were 558,000 foreign arrivals, representing 65.73% of the 2019 level. With Vietnam being a cost-effective travel destination in the region and the recent extension of visa duration through a policy passed on 24 June, we anticipate a gradual recovery of international arrivals to approach pre-pandemic levels seen in 2019.

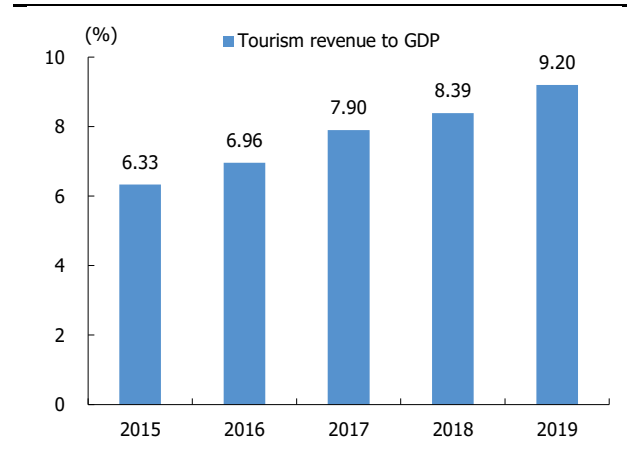
It is noteworthy that tourism revenue has consistently contributed to the country's GDP growth over the past five years, accounting for 9.20% in 2019. Hence, foreign tourism is still expected to be a main driver for economic growth this year. Notably, China and Taiwan have emerged as the fastest-growing international visitor markets, with year-on-year increases of 1475% and 946% respectively for the current month.

Figure 18. Foreign arrivals: Chinese vs All First half year's performance



Source: MOIT, GSO, KIS

Figure 19. First half year's performance

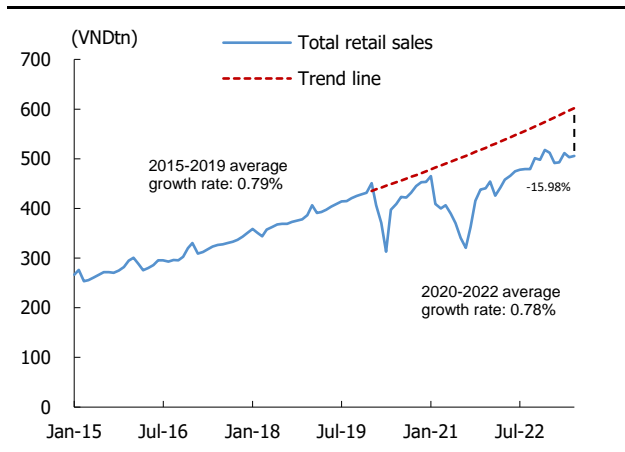


Source: GSO, UNWTO, VNAT, KIS

Recovery trend loses its momentum

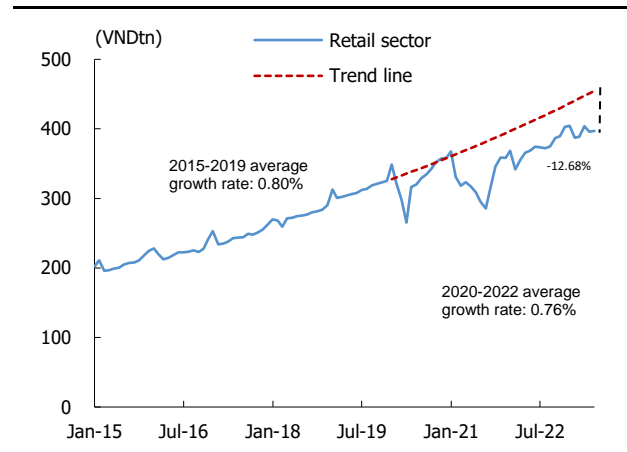
For the second consecutive month, total retail sales have continued to diverge from the pre-pandemic trend level (assuming no COVID-19 impact), currently registering a significant gap of -15.98% below the trend. With the prevailing economic conditions falling short of expectations and consumer purchasing power weakened, we anticipate that total retail sales will remain below the trend level in 3Q23, experiencing a deceleration in year-over-year growth to a range of 6-9% on a monthly basis.

Figure 20. Total retail sales: Actual vs Pre-pandemic trend



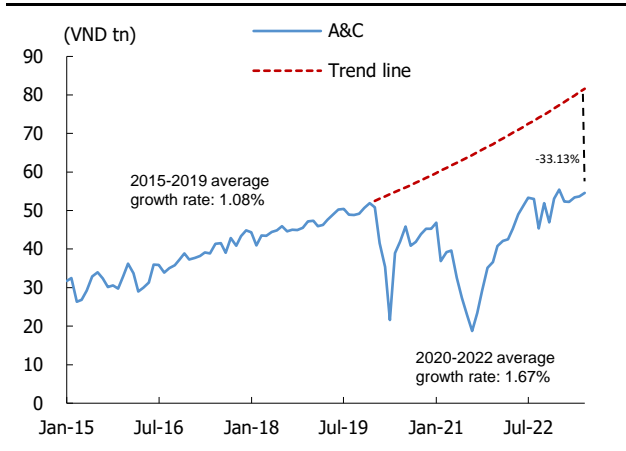
Source: GSO, KIS

Figure 21. Retail sectors: Actual vs Pre-pandemic trend



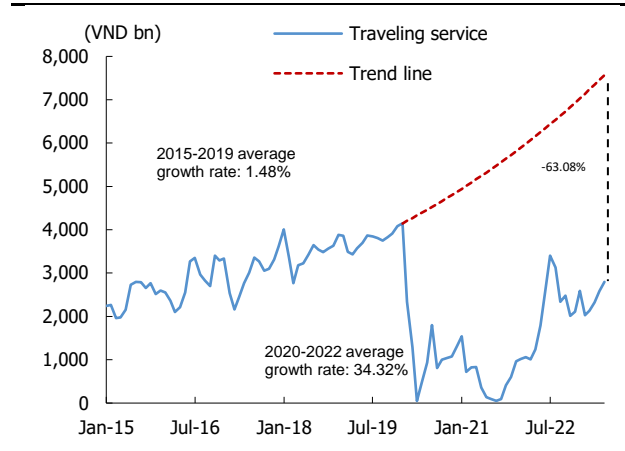
Source: GSO, KIS

Figure 22. Accommodation and catering: Actual vs Pre-pandemic



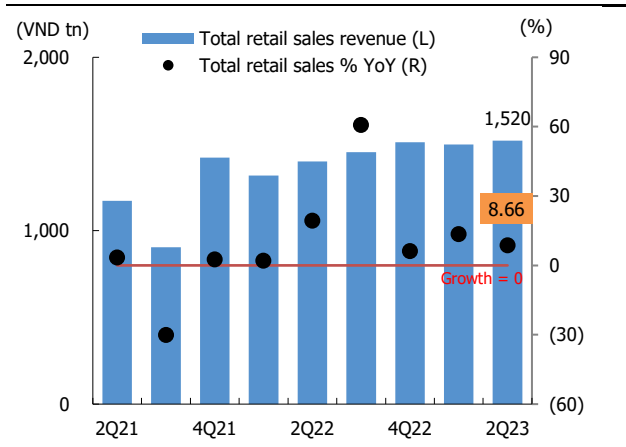
Source: GSO, KIS

Figure 23. Traveling services: Actual vs Pre-pandemic



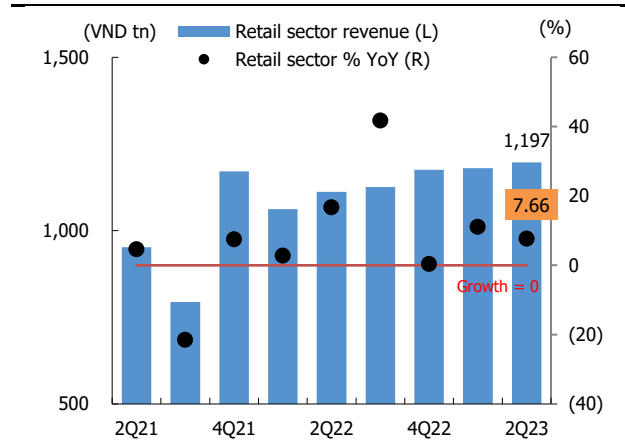
Source: GSO, KIS

Figure 24. Quarterly performance: Total retail sales



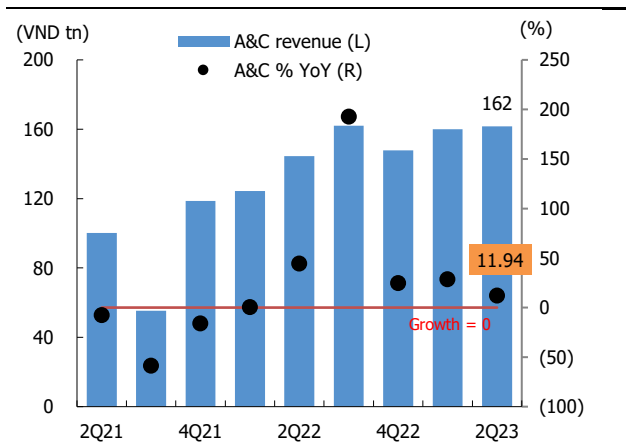
Source: GSO, KIS

Figure 25. Quarterly performance: Retail sector



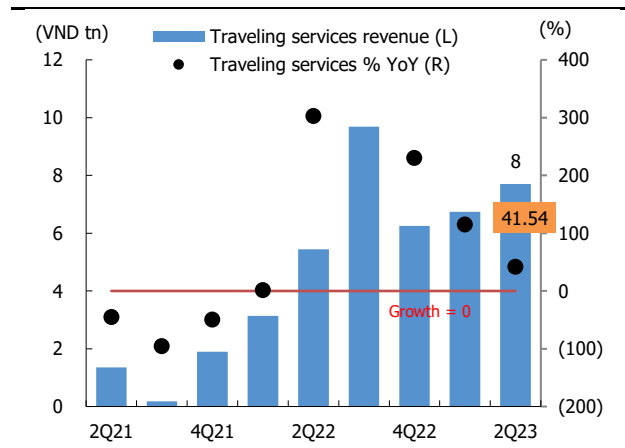
Source: GSO, KIS

Figure 26. Quarterly performance: Accommodation & catering



Source: GSO, KIS

Figure 27. Quarterly performance: Traveling services



Source: GSO, KIS

The implementation of a 2% VAT reduction in the second half of 2023 is expected to provide some stimulus to retail sales by lowering prices for consumers, reducing production costs, and potentially increasing profit margins for businesses. However, the overall impact may be limited given the scale of the reduction, which amounts to VND24.00tn, compared to the total retail sales revenue of VND2,839.50tn for the six-month period.

Table 2. 2% VAT reduction by sector

	Sector	Non-adjusted	Adjusted
Construction	Construction projects	10%	8%
	Construction materials	10%	10%
	Social housing	5%	5%
Food	Consumer goods	10%	8%
	Food grains	10%	8%
	Sugar	5%	5%
	Unprocessed seafood	0%	0%
	Processed seafood	5%	5%
Transportations	International air transportation	0%	0%
	Domestic air transportation	10%	8%
	International maritime transportation	0%	0%
	Domestic maritime transportation	10%	8%
Financials	Banking	10%	10%
	Securities	10%	10%
	Insurance	10%	10%
Industrials	Coal ore	10%	10%
	Refined petroleum	10%	10%
	Chemicals	10%	10%
	Rubber latex	5%	5%
	Fertilizer	5%	5%
	Medical equipment	5%	5%
	Clean water	5%	5%
	Bottled water	10%	8%
Others	Goods and services for export	0%	0%
	Textiles and garments (exports excluded)	10%	8%
	Educational tools	5%	5%
	Information technology	10%	10%
	Wood	10%	8%
	Automobiles	10%	8%

Source: KIS

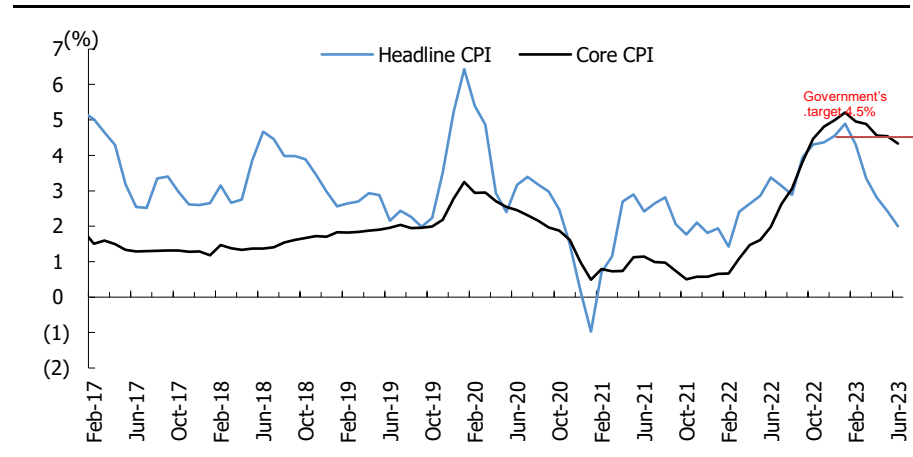
Note: shared area indicates the advantageous industries

V. CPI accelerates on rising electricity and food prices

CPI accelerates on FFS and HCM

According to the latest data of GSO, headline CPI in June rose at a slower pace, slipping from 2.43% YoY in May to 2.00% YoY in June. This marks the lowest inflation since March-22. Moreover, core inflation also exhibited signs of cooling down, indicating that the government's inflation target of 4.5% is attainable.

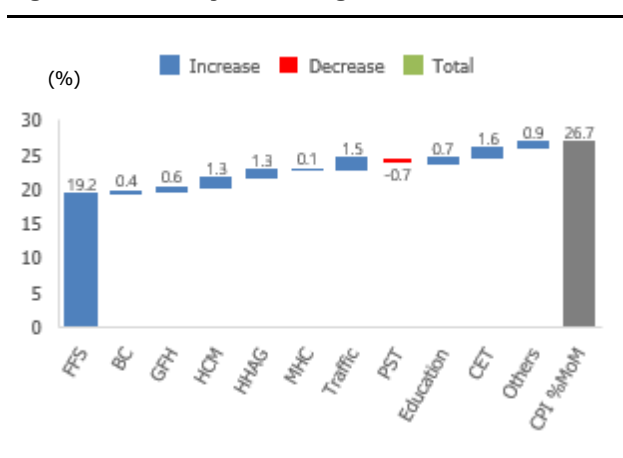
Figure 28. Vietnam's inflation by month



Source: KIS, GSO

Regarding monthly contribution to CPI this month, FFS (food and foodstuff) as well as traffic played a significant role in driving the CPI to increase 0.27% MoM in May. To be more specific, FFS and traffic, and housing and construction materials (HCM) experienced increases of 0.57% MoM, 0.16% MoM, and 0.07% MoM, respectively, contributing 19 basis points (bps), 2bps, and 1bps to the overall CPI increase, respectively. Conversely, the postal services and telecommunication sector was the sole contributor to a decrease in the CPI basket, which reduced 1bps in the overall inflation.

Figure 29. Monthly CPI change and its contributor



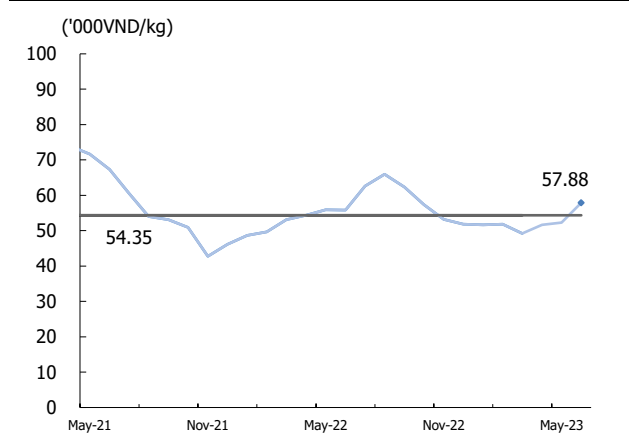
Source: GSO, KIS

Table 3. Monthly CPI change by item

Item	Weight (%)	% MoM	% YoY
Food and foodstuff	33.56	0.57	3.34
Beverage and cigarette	2.73	0.16	3.23
Garment, Footwear, hat	5.70	0.11	2.16
Housing and construction materials	18.82	0.07	6.49
Household appliances and goods	6.74	0.19	2.11
Medicine and health care	5.39	0.01	0.61
Traffic	9.67	0.16	-11.98
Postal services & Telecommunication	3.14	-0.23	-0.58
Education	6.17	0.11	5.75
Culture, entertainment and tourism	4.55	0.34	2.30
Other goods and services	3.53	0.26	3.39
Consumer Price Index	100.00	0.27	2.00

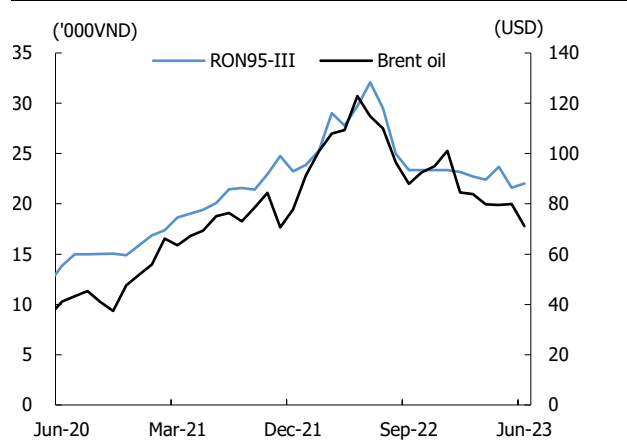
Source: GSO, KIS

Figure 30. Monthly domestic pork price



Source: GSO, KIS

Figure 31. Monthly domestic gasoline price and Brent



Source: Bloomberg, KIS

In terms of sector contribution, FFS index, the largest contributing factor to CPI (weight around 33.56% in the CPI basket), saw a sharp increase of 3.34% YoY vs 0.57% MoM in June. This was mostly due to an increase in pork prices, which jumped by 3.16% as high demand during the tourism season. Furthermore, the jump in pork prices also resulted from concerns about supply shortages. Due to the impact of African swine fever, the market experienced a decline, but prices started rising in mid-March as oversupply concerns diminished. Farmers who suffered substantial losses for two past years have stopped re-herding, and livestock enterprises are not expanding their herds. Consequently, the market's supply is now less abundant than earlier this year.

Furthermore, the HCM index saw a rise of 0.07% attributed to the prolonged hot weather, which resulted in increased demand for electricity and water. Additionally, Electricity of Vietnam (EVN) issued Decision 377/QD-EVN on April 27, 2023, adjusting the average retail price of electricity starting from May 4, 2023, which also lift the electricity price higher.

According to the General Statistics Office, the average CPI during the second quarter of 2023 showed a 2.41% increase compared to the same period last year, far from the inflation target of 4.5%. This indicates that the government's efforts to combat inflation have yielded positive results.

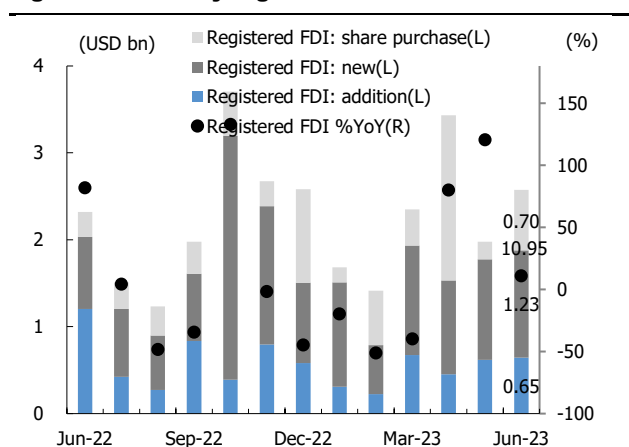
VI. FDI is on the mend

Registered FDI jumps sharply

From the latest update of the Ministry of Planning and Investment, FDI registers increased significantly by 30.12% MoM and a corresponding growth of 10.95% YoY in June. Besides, FDI disbursement also witnessed a sharp jump by 31.67% MoM but just increased modestly by 0.94% YoY this month. In addition, the registration value from foreign investors this month was USD2.58bn (comprising USD1.23bn of new, USD0.65bn of the addition, and USD0.70bn of the share purchase). Particularly noteworthy is the significant growth of 246.06% MoM and 143.01% YoY in the capital registered for share purchases this month.

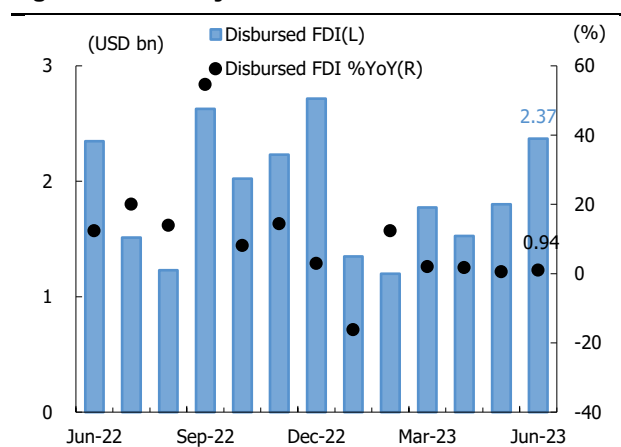
For 6M23, FDI commitments reached around USD13.43bn, decreasing at a softer pace by 4.28% YoY. While additional register capital was also fell by 57.08% YoY, newly registered capital and capital registered for share purchase jumped 31.35% YoY and 76.82%, respectively.

Figure 32. Monthly registered FDI



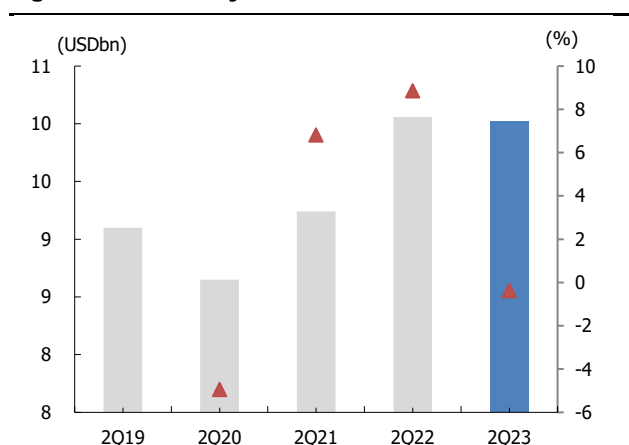
Source: MPI, KIS

Figure 33. Monthly disbursed FDI



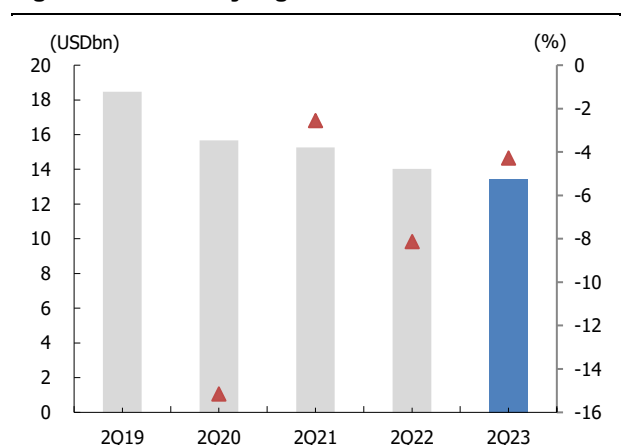
Source: MPI, KIS

Figure 34. Quarterly disbursed FDI



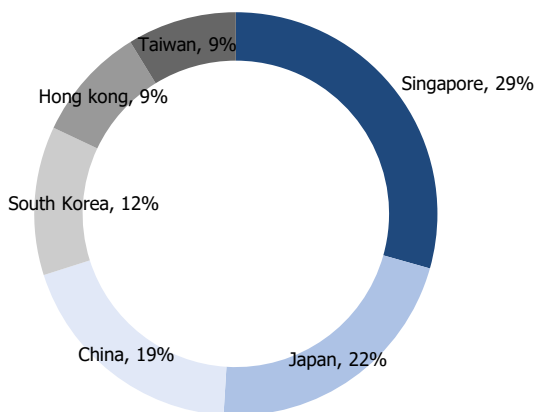
Source: MPI, KIS

Figure 35. Quarterly registered FDI



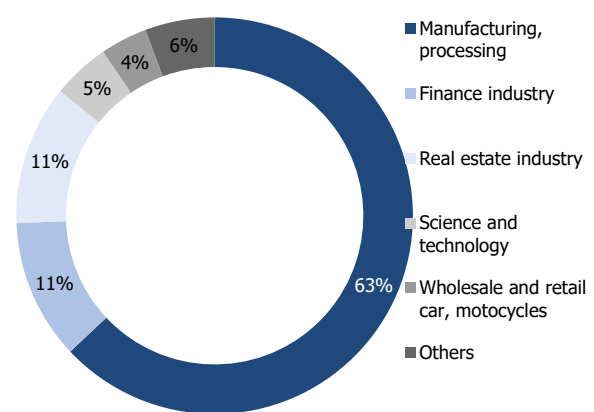
Source: MPI, KIS

Figure 36. FDI by country



Source: MPI, KIS

Figure 37. FDI by industry



Source: MPI, KIS

Regarding FDI by countries and territories, in the half year of 2023, Singapore remained the largest investor in Vietnam, with a total investment of USD3.00bn, accounting for 22.33% in registered capital. Japan was the second largest investor, with USD2.21bn, followed by China with USD1.95bn and South Korea with USD1.22bn.

In the first half of 2023, the manufacturing and processing sector emerged as the most attractive industry for foreign direct investment (FDI) in Vietnam. With registered capital amounting to USD8.46bn, it constituted 62.98% of the total FDI commitments. Following closely, the banking and finance sector became the second-largest recipient of FDI, with USD1.53bn in registered capital, accounting for 11.42% of the total FDI commitments. This notable increase in FDI was primarily driven by Sumitomo Mitsui Banking Corporation's (SMBC) investment to acquire shares in VP Bank. Furthermore, the real estate industry secured the position of the third-largest recipient of FDI, attracting USD1.52 bn in registered capital, which accounted for 11.39% of the total registered FDI.

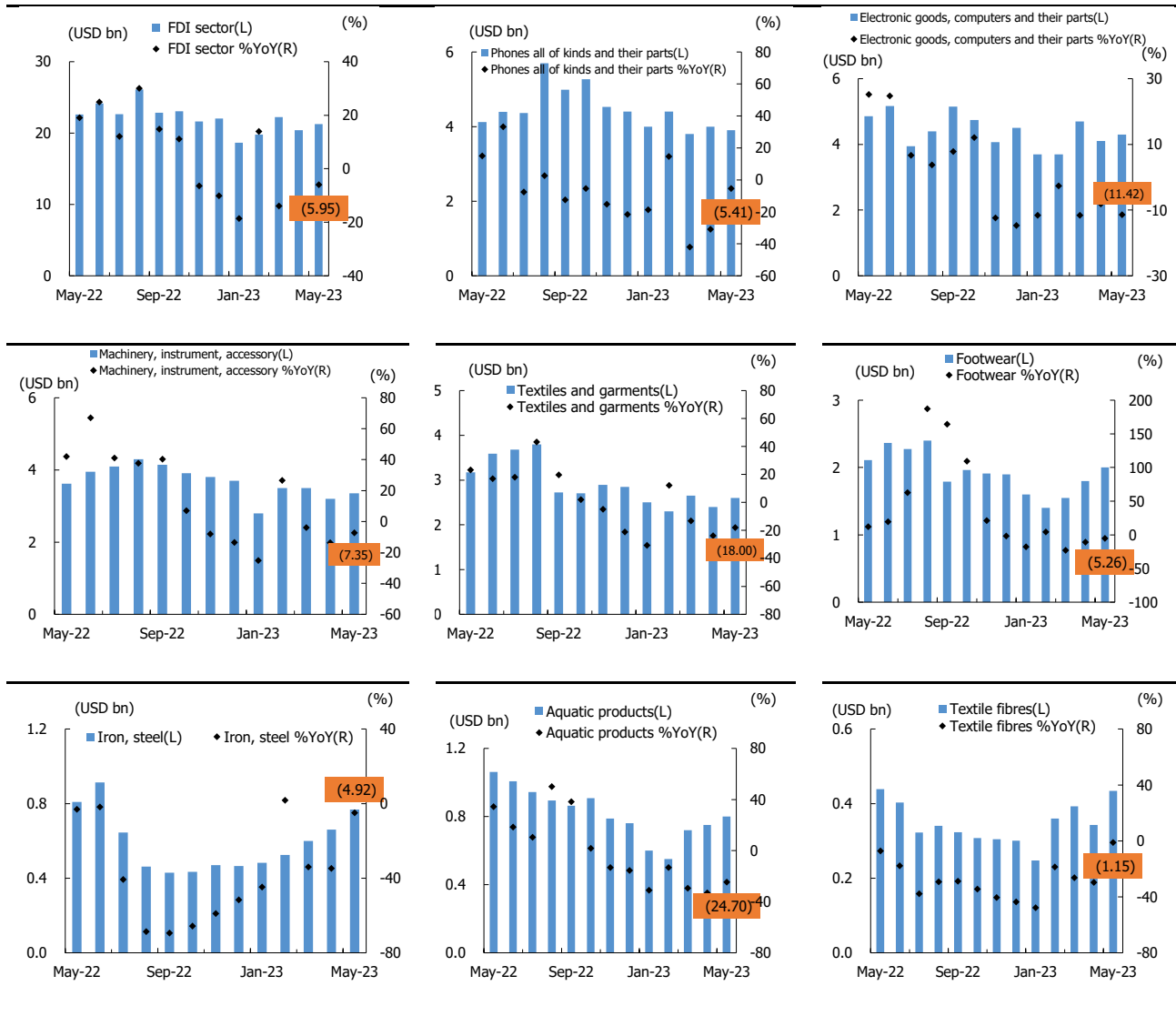
Macro scorecard

	23-Feb	23-Mar	23-April	23-May	23-Jun	3Q22	4Q22	1Q23	2Q23	2019	2020	2021	2022
Real GDP growth (%)						13.67	5.92	3.21	4.14	7.03	2.91	2.58	8.02
Registered FDI (USD bn)	1.41	2.35	3.43	1.98	2.57	4.67	8.96	5.45	13.43	38.02	28.53	31.15	27.72
GDP per capita (USD)										3,398	3,521	3,725	4,110
Unemployment rate (%)						2.28	2.32	2.25	2.25	2.25	2.48	3.22	2.32
Export (USD bn)	25.88	29.57	27.54	29.05	29.30	96.48	89.50	79.17	83.42	263.6	282.7	335.7	371.85
Import (USD bn)	23.58	28.92	26.03	26.81	26.71	90.71	85.07	75.10	76.01	254.4	263	331.1	360.65
Export growth (%)	10.97	(14.78)	(17.15)	(5.86)	(11.41)	17.22	(6.07)	(11.90)	(14.16)	8.16	7.02	18.74	10.61
Import growth (%)	(6.65)	(11.10)	(20.54)	(18.44)	(16.94)	8.12	(3.90)	(14.67)	(22.30)	7.41	3.81	25.9	8.35
Inflation (%)	4.31	3.35	2.81	2.43	2.00	3.32	4.41	4.18	2.41	2.79	3.24	1.84	3.15
USD/VND	23,785	23,471	23,465	23,477	23,525	23,712	23,633	23,471	23,525	23,173	23,126	22,790	23,650
Credit growth (%)	0.31	1.96	3.04	3.04	3.36	10.47	12.87	1.61	3.36	13.75	12.17	12.97	12.87
10Y gov't bond (%)	4.39	3.24	3.21	3.28	3.50	4.39	5.08	3.54	3.50	3.37	2.01	2.11	5.08

Source: GSO, Bloomberg, FIA, IMF

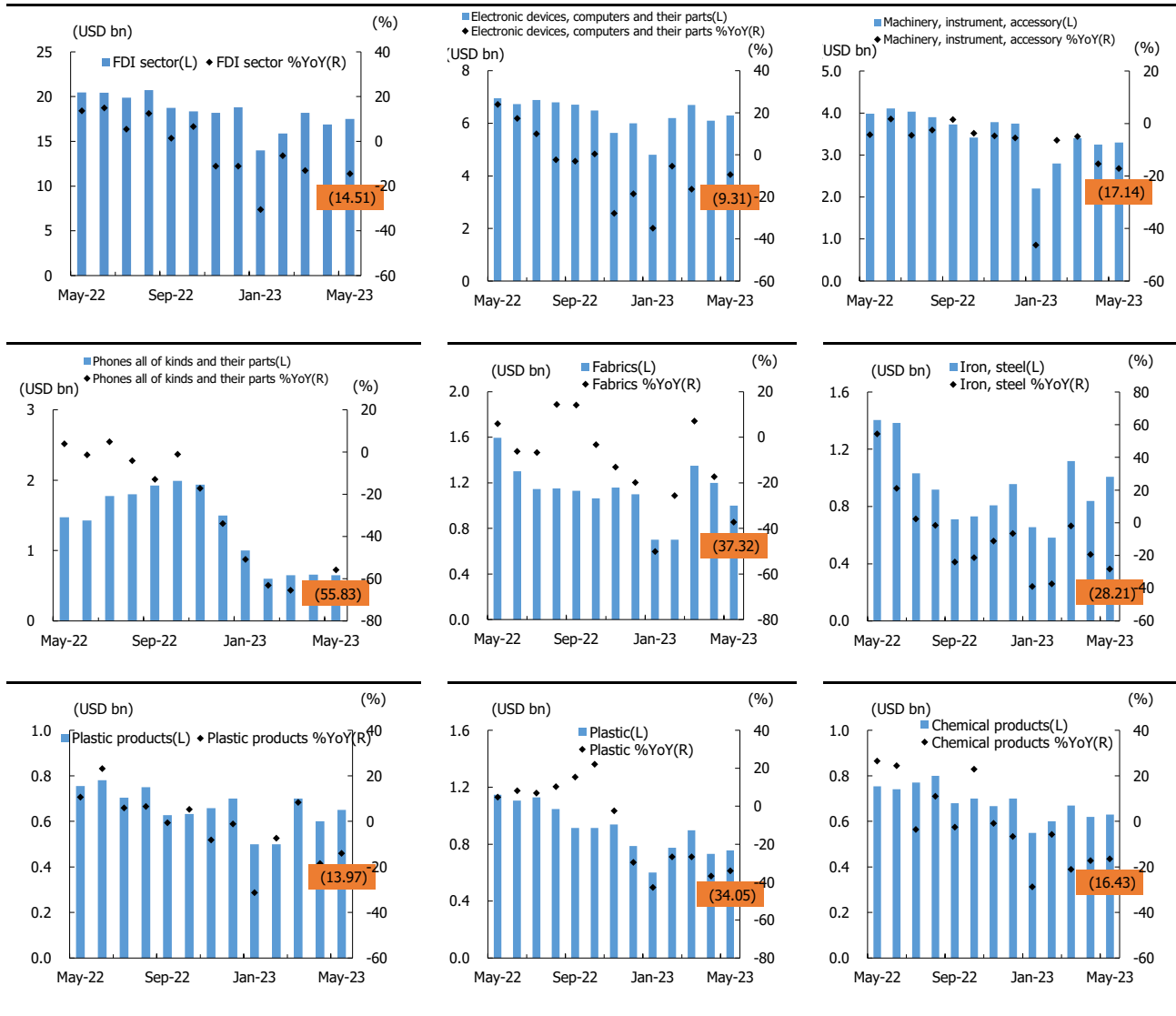
Appendix

Figure 1. Performances of major export products by month



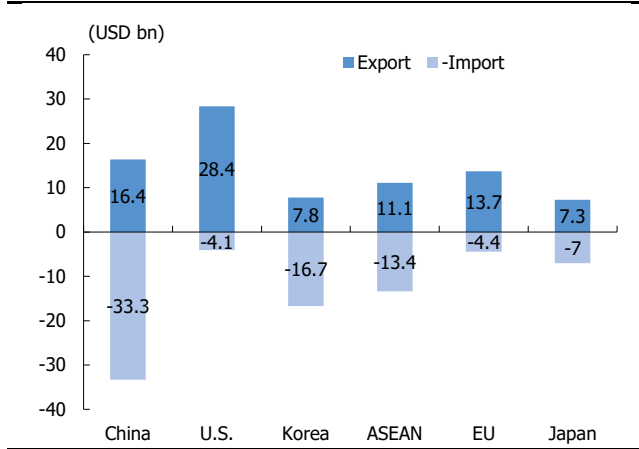
Source: KIS, GSO

Figure 2. Performances of major import products by month



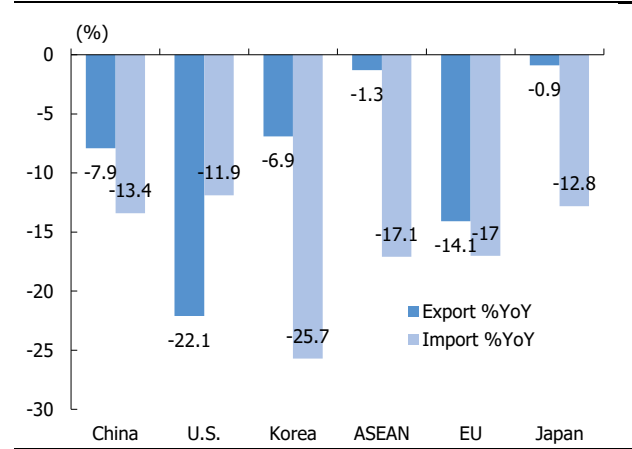
Source: KIS, GSO

Figure 3. Vietnam's cumulative trade by country in 2023



Source: GSO, Vietnam Custom, KIS

Figure 4. Vietnam's change in cumulative trade by country in 2023



Source: GSO, Vietnam Custom, KIS

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