



Viet Nam Economic Bulletin

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Viet Nam remains one of globe's rising economies: Asian Insiders



- According to Asian Insiders, an Asia-wide consulting network, the economy of Viet Nam is going through a dynamic shift, marked by robust growth and the development of several key trends supporting a stronger looking future. The International Monetary Fund (IMF) places Viet Nam among the top twenty fastest growing global economies.

- Recognizing the need for technical innovation for the economy of Viet Nam, the government has made substantial investments in research and development, evident both in the rapidly improving economy as well as its ascent on the Global Innovation Index (GII), ranking 46th of 132 countries in 2023, according to the GI report released by the World Intellectual Property Organization (WIPO). The country maintains its second position amongst lower middle-income countries.

- Improvement in innovation and technical competence is key to attracting significant investment from industry, especially as most major manufacturers seek to diversify their production as well as take advantage of Viet Nam's still lower labor rates. Companies like Samsung, LG, Foxconn, Panasonic, Bosch, GE, Piaggio and Yamaha have established either local research and development facilities or a full manufacturing base – underlining Viet Nam's potential for being an innovation as well as production hub.

- Viet Nam's geographic location supports this also, its long 3,300km eastern coastline offering 45 seaports of various grades. The economy of Viet Nam is significantly enhanced by recent and looming improvements to its infrastructure.

- The improving economy of Viet Nam is made possible with the major influx of foreign direct investment (FDI). The country has been successful in attracting significant investments making it one of the top countries globally in attracting FDI. In 2023, Viet Nam attracted US\$36.6 billion, a 32 percent increase on the previous year.

- Viet Nam is looking to take a leading role also in the green economy and sustainability, with the Ministry of Planning and Investment last year announcing ambitious goals of increasing the green economy contributions to GDP from US\$6.7 billion in 2020 to a remarkable US\$300 billion by 2050..

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Viet Nam among Top 10 emerging and developing Asian countries on Global Opportunity Index



- Viet Nam ranked 5th among the top 10 emerging and developing (E&D) Asian countries on the Milken Institute's Global Opportunity Index (GOI).

- The top 10 E&D Asian countries comprise Malaysia (the 27th in GOI), Thailand (37th), China (39th), Indonesia (55th), Viet Nam (65th), India (72nd), Mongolia (78th), Sri Lanka (82nd), the Philippines (91st) and Cambodia 93rd). The average ranking of these Asian countries is 63.9.

- Specifically, Viet Nam ranked 75th in business perception, 23rd in economic fundamentals, 73rd in financial services, 90th in institutional framework, and 73rd in international standards and policy.

- Emerging and developing Asia performed well compared to other E&D regions, drawing more than half (53.2 percent) of the funds flowing into E&D countries between 2018 and 2022, according to the report.

- The index factors in 100 indicators under five categories: business perception, economic fundamentals, financial services, institutional framework, and international standards and policy./.

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Vietnamese GDP size hits over US\$430 billion in 2023



- Viet Nam's gross domestic product (GDP) size was estimated at US\$433.3 billion in 2023, ranking fifth in Southeast Asia, according to the latest figures released by IMF.

- The GDP scale of Southeast Asia reached US\$3.86 trillion, of which Indonesia took the lead in the region with an estimated GDP of about US\$1.42 trillion; followed by Thailand with US\$512.19 billion, Singapore with US\$497.35 billion and the Philippines with US\$435.68 billion.

- In 2024, Viet Nam's GDP size is forecast to hit US\$469.67 billion, ranking fifth in the region, after Indonesia (US\$1.54 trillion), Thailand (US\$543.35 billion), Singapore (US\$520.97 billion), and the Philippines (US\$475.94 billion).

- The UK's independent Center for Economic Forecasting and Analysis (CEBR) noted that the Vietnamese economic scale ranking is likely to increase rapidly in the future. Accordingly, Viet Nam is forecast to rise to 24th position by 2033, with an economic scale reaching US\$1,050 billion. By 2038, with an expected GDP scale of US\$1,559 billion, Viet Nam will rise to 21st position, surpassing other ASEAN economies such as Thailand, Singapore, and the Philippines to enter the group of the 25 largest economies in the world. Thanks to a large and young population, Viet Nam has the opportunity to outperform other ASEAN members to become a high-income economy by 2045.

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Standard Chartered sustains Viet Nam's 2024 GDP growth at 6.7%



- Standard Chartered maintains its GDP growth forecast for Viet Nam at 6.7 percent in 2024 of which GDP is projected to accelerate from 6.2 percent in the first half to 6.9 percent in the second half.

- In the latest forecast report, the international bank forecast that retail sales may increase by 9.2 percent, export growth rate at 5.2 percent, import value at 5 percent. Trade surplus is projected to drop to US\$0.8 billion.

- Inflation rate is likely to go up 4.2 percent, higher than the rate of 4 percent last month. Price hikes of education, housing (building materials) and food were attributed to increasing inflation rate.

- 2024 is a breakthrough year, holding special significance for the successful implementation of the 5-year Plan for 2021-2025. The Government set the goal of 6-6.5 percent GDP growth rate in 2024.

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Viet Nam has been a development success story: WB



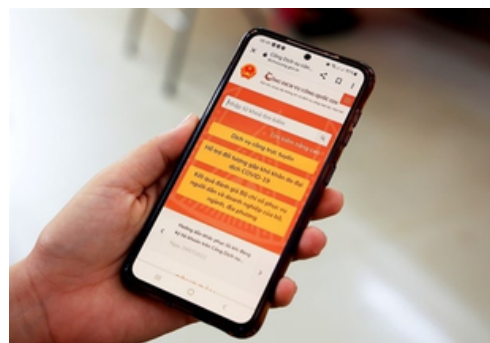
- Viet Nam has been a development success story. Thanks to its solid foundations, the nation's economy has proved resilient through different crises, noted the World Bank (WB). Economic reforms since the launch of Doi Moi in 1986, coupled with beneficial global trends, have helped propel Viet Nam from being one of the world's poor nations to a middle-income economy in one generation.

- Between 2002 and 2022, GDP per capita increased 3.6 times, reaching almost US\$3,700. Poverty rate declined from 14 percent in 2010 to 3.8 percent in 2020.

- Growing at 2.5 to 3.5 percent per year over the past three decades, the agriculture sector has supported economic growth and ensured food security. It contributed 13 percent of GDP and 29 percent of employment in 2021.
- Health outcomes have improved along with rising living standards. Infant mortality rate fell from 32.6 per 1,000 live births in 1993 to 16.7 in 2020.
- Life expectancy rose from 70.5 to 75.5 years between 1990 and 2020. Viet Nam's universal health coverage index is at 73-higher than regional and global averages-with 87 percent of the population covered by the national health insurance scheme.
- Viet Nam's average duration of schooling is 10.2 years, second only to Singapore among the ASEAN countries. Its human capital index is 0.69 out of a maximum of one, the highest among lower middle-income economies.
- Access to infrastructure services has increased dramatically. As of 2019, 99.4 percent of the population used electricity as their main source of lighting, up from just 14 percent in 1993.
- Access to clean water in rural areas has also improved-up from 17 percent in 1993 to 51 percent in 2020.
- Viet Nam has grown bolder in its development aspirations, aiming to become a high-income country by 2045.
- The nation also aims to grow in a greener, more inclusive way, and has committed to reducing methane emissions by 30 percent and halting deforestation by 2030 while achieving net zero carbon emissions by 2050.
- To challenges, in the upcoming time, the WB suggested Viet Nam dramatically improve its performance to implement policies particularly in finance, environment, digital transformation, poverty/social protection, and low-carbon infrastructure. Adapting to climate impacts and pursuing a growth strategy that steers the economy away from carbon-intensive production will help the country achieve its climate objectives while expanding its GDP per capita by around 6 percent a year-the average rate needed to become a high-income country by 2045, the bank recommended./.

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Viet Nam remains world's second largest smartphone exporter



- By 2022, Viet Nam's export share reached 12% on the global smartphone market. China continued to form the lion's share by exporting half of the world's smartphones in 2022. Hong Kong, the UAE, the Czech Republic, the US and the Republic of Korea are other major players in the export market.
- According to the General Department of Customs, Viet Nam's export value of all types of phones and components in January reached more than 5.5 billion USD, an increase of more than 50.4% compared to December 2023 and an increase of 11.4% year on year.

- The US and China became the largest customers of Vietnamese phones and components. In January, Viet Nam's exports to the US reached 1.39 billion USD, accounting for 25% of the exports. China came second with about 734 million USD, 13%, and the Republic of Korea third, with 330 million USD.
- The General Department of Customs' statistics also showed that in 2010, the export turnover of phone components and components only accounted for 3.2% of total national export value, but this group of electronic products gained an annual average growth rate of 34% in export value during the period of 2011-2021.
- Viet Nam now is also an attractive destination for big firms in the global phone and component industry, including Apple. At present, about 25 suppliers of Apple locate their factories in Viet Nam.

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Viet Nam earns 160 million USD from rubber exports in Feb



- Viet Nam shipped 110.000 tonnes of rubber abroad last month, earning more than 160 million USD, according to the Ministry of Agriculture and Rural Development (MARD). The February figure brought the country's total rubber exports in the first two months of 2024 to 320,000 tonnes, worth 458 million USD.
- China remained Viet Nam's largest rubber buyer, importing 227.000 tonnes for 317 million USD, an increase of 10.1% in volume and 14.4% in value compared to the same period last year. Meanwhile, the Southeast Asian country's rubber exports to major international markets, including the Republic of Korea, the U.S., Germany, Russia, Italy, Brazil, Spain and Turkey, have all increased.
- Vietnamese rubber fetched 1.481 USD per tonne in international markets, an increase of 5% compared to January.
- Industry experts said there are several contributing factors to the rise in rubber prices, with the largest factor being the booming car sales in China. As a result, demand for tyres for new cars in China has increased by 30%, boosting demand for natural rubber, and this trend will likely continue in the coming months.

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Viet Nam's garment sector targets export revenue of 70 billion USD by 2030



- Viet Nam aims to bring in 70 billion USD in garment export revenue by 2030, according to Truong Van Cam, Vice Chairman of the Vietnam Textile and Apparel Association (Vitas).

- At a conference on March 16, the official stated that such a goal requires garment producers to make great efforts to invest in modern equipment and apply advances in science and technology to address the sector's weaknesses. With such measures, Viet Nam will be able to enhance the value of its products along with their competitiveness in international markets. He added that the garment sector has emerged as one of Viet Nam's key exports, from only 1.96 billion USD in 2021 to an impressive figure of more than 44 billion USD in 2022, a 22.6-fold increase over two decades.

- According to the Vitas official, over 85% of Viet Nam's manufacturing capacity is for exports, and therefore faces stronger competition from countries such as China, Bangladesh, and India. However, Viet Nam still has considerable opportunities from new-generation free trade agreements such as the CPTTP and the EVFTA. This is a big opportunity if Vietnamese garment makers can take the initiative in sourcing materials and step up research and design efforts so as to capitalise on the benefits of such trade deals.

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Son Doong named among world's 10 most beautiful caves



- Son Doong Cave in the central province of Quang Binh was ranked 6th among the 10 most beautiful caves in the world, according to the British travel magazine Time Out.

- Son Doong is one of the three representatives from Asia to make it into the list, alongside China's Say Cave and Laos' Pak Ou Cave.

- The Son Doong Cave has a total length of nearly 9 km long and the volume is up to 38.5 million cubic meters, which makes this cave the largest natural cave on the planet.

- In 2009, Son Doong was officially surveyed and measured by the British-Viet Nam Cave Expedition Team led by Howard Limbert. In 2013, the Guinness World Records Organization recorded it as the world's largest natural cave.

- This amazing cave also houses an impressive ecosystem, inside the largest cave passage in the world. This huge and intricate cave system was created by the underground river, and filled with formations from the water that percolated down from a rainforest above.

- Oxalis, the only firm operating expedition adventure tour to Son Doong announced that the tour is fully booked for the whole of 2024. Moreover, 200 domestic and foreign tourists have booked for the cave tour in 2025, it added.

- Son Doong cave tour is currently considered the most expensive and attractive tour in Viet Nam with a ticket priced at about VND 72 million (US\$2,939) per person for a 6-day and 5-night tour. Each tour has 10 visitors and about 30 supporters serving as cave safety experts, guides, safety assistants, chefs, rangers, and others carrying luggage, food, and camping equipment.

- During the tour, tourists will cross underground rivers, explore two gigantic cave ceiling collapses, traverse through underground rainforests, and sleep in some of the world's most magnificent campsites./.

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Da Lat is among the top nature destinations in Asia: Agoda



- Viet Nam's resort city of Da Lat is one of the nine most favoured nature destinations in Asia, based on searches made on the online travel platform Agoda in January 2024.
- The list was announced to mark the launch of Eco Deals 2024, Agoda's flagship 1-million-USD partnership with World Wide Fund for Nature (WWF).
- According to Agoda, the Vietnamese city is nestled a short flight from Ho Chi Minh City, and offers a nature lover's paradise with cool weather, pine forests, and waterfalls.
- Da Lat is ideal for hiking, lake activities such as canyoning, and enjoying local gardens, while the surroundings offer enchanting scenery, making Da Lat an unforgettable retreat for nature enthusiasts from around the globe.
- Other destinations on the list are Ooty (India), Lombok (Indonesia), Hakone (Japan), Miri (Malaysia), Siquijor Island (Philippines), Jeongseon-gun (Republic of Korea), Hualien (Taiwan, China) and Khao Yai (Thailand).

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Vietnamese baguette named world's best sandwich



tasteatlas

CURRENT RANKING (MAR 2024)

Best Sandwiches in the World

1	 Bánh mì (collectively)	4.6	26	 Pork chop bun	4.3
2	 Tombik döner	4.6	27	 Arepa reina pepiada	4.3
3	 Shawarma	4.5	28	 Fläskstegssandwich	4.3
4	 Tortas (collectively)	4.4	29	 Bánh mì heo quay	4.3
5	 Lobster roll	4.4	30	 Grilled cheese	4.2
6	 Sandwich de lomo	4.4	31	 Cheesesteak	4.2
7	 Montreal smoked meat	4.4	32	 Croque-monsieur	4.2
8	 Mozzarella in carrozza	4.4	33	 Arepa (collectively)	4.2
9	 Bánh mì thịt	4.4	34	 Francesinha	4.2
10	 Texas brisket sandwich	4.4	35	 Smørrebrød (collectively)	4.2
11	 Jibarito	4.4	36	 Butifarra	4.2
12	 Panino col polpo	4.4	37	 Montadito (collectively)	4.2
13	 Bondipan	4.4	38	 Chivito	4.2
14	 Reuben	4.3	39	 Bocadillo de carne	4.2
15	 Po'Boy	4.3	40	 Pastrami on rye	4.2
16	 Cuban sandwich	4.3	41	 Bifana	4.2
17	 Bocadillo de jamón	4.3	42	 Kaya toast	4.2
18	 Choripán	4.3	43	 Torta ahogada	4.2
19	 Vada pav	4.3	44	 Roast pork sandwich	4.2
20	 Medianoche	4.3	45	 Stjerneskud	4.2
21	 Bagel and lox	4.3	46	 Mettbrötchen	4.2
22	 Toast skagen	4.3	47	 Bocadillo de cerdo	4.2
23	 Prego	4.3	48	 Sánduche de milanesa	4.2
24	 Hot chicken sandwich	4.3	49	 Beef on weck	4.2
25	 Sanduiche de perril	4.3	50	 Porchetta sandwich	4.2

www.tasteatlas.com/sandwiches

- Banh mi (pronounced 'bun mee'), a popular Vietnamese variety of sandwiches, ranked first among Top 100 sandwiches in the world, according to TasteAtlas. The website dedicated to discovering fresh ingredients, traditional dishes, and authentic restaurants around the world said that Vietnamese baguette shares the same core ingredient - a baguette.
- The baguette was brought over to Viet Nam during the colonial period, and nowadays it is one of the few happy legacies from the time.

- The crusty bread, condiments, and meats are all a legacy of French and Chinese colonialism, while cilantro, chili, and pickles reflect the Vietnamese taste for fresh vegetables and bright flavors. Most of the fillings and condiments are things that foreigners are unfamiliar with, and that just may be the secret to its popularity.

- Earlier, three Vietnamese signature dishes – "banh mi", "pho", and iced coffee – were been mentioned in a CNN list of 50 of the best street foods in Asia, which is recognized as being just a "small sampling of the region's wonderful food traditions."

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Viet Nam – India Tourism Promotion Meet in Bengaluru



- On March 18, 2024, the Viet Nam Embassy in India organized a tourism promotion meet in Bangalore, Karnataka, India. The meeting was attended by 60 tour operators from Karnataka, and 05 tourism and service companies from Viet Nam (Viettravel, Vietjet Air, Trek Asia Travel, HA Travel, Asia DMC...).

- Speaking at the event, Ambassador of Viet Nam to India Nguyen Thanh Hai highly appreciated the attention and participation of Indian and Vietnamese businesses. He emphasized that promoting tourism is a priority in the diplomatic work of the Viet Nam Embassy in India; Viet Nam has many famous scenic spots, cultural heritages recognized by UNESCO, and cultural works that have exchanges with ancient Indian culture, which are attractive points for tourists. Ambassador expressed his joy that Viet Nam is becoming a popular destination for Indian tourists with diverse tourism categories, from resorts, weddings, conferences, golf, adventure...; In 2023, India was one of the top 10 markets sending tourists to Viet Nam with 392,000 visitors. Ambassador Hai also believes that with Viet Nam's convenient e-visa system and the increasing number of direct flights between the two countries (from about 60 flights/week now), tourism and people-to-people exchange between the two countries will increase significantly in the coming time. He hopes that travel agencies in Karnataka will continue to pay attention to and increase their chances of tapping into the Vietnamese market. At the same time, Vietnamese travel agencies will pay more attention to the Indian market. The Ambassador believes that the number of Indian tourists to Viet Nam will soon reach 1 million.

- At the event, representatives of many tourism companies said that more and more Indian tourists want to come to Viet Nam, and those in Karnataka will increase investment in the Vietnamese market. Many opinions expressed the hope that airlines of the two countries will soon open direct flights from Bangalore to big cities in Viet Nam. Some delegates also asked about the procedures related to e-visa. On this occasion, tourism brands of Viet Nam and Karnataka exchanged information with each other about business cooperation opportunities in tourism in the coming time.

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Indian enterprises explore cooperation opportunities in Binh Phuoc



- A Viet Nam - India business and investment conference was held in the southern province of Binh Phuoc on March 22 by the provincial People's Committee.

- Speaking at the event, Director of the provincial Centre for Investment, Trade and Tourism Promotion Tran Quoc Duy expressed his confidence that the combination of Binh Phuoc's advantages and Indian firms' experience, financial capacity, and business management skills will yield tangible benefits for both sides. He pledged to provide support and favourable conditions for investment, production and business activities and implementation of projects by enterprises.

- In his remarks, Consul General of India in Ho Chi Minh City Madan Mohan Sethi highly lauded the province's potential in industries, agriculture and exports as well as its investment attraction policies targeting domestic and foreign enterprises. Noting that many Indian businesses have shown interest in and conducted research on the destination, the diplomat expressed his hope that there will be exchanges and collaboration between them and Binh Phuoc to further strengthen the Vietnam-India relations in the time to come.

- The southern province holds a strategic position in the East-West economic corridor, serving as the Southeastern region's gateway to the Central Highlands, deep-water ports, international airports, and to Cambodia, Laos, and Thailand. Currently, Binh Phuoc has 13 industrial parks covering a total area of 6,061 ha, with an occupancy rate of nearly 70%. Between 2021 and 2030, it plans to expand its industrial land by 10,400 ha.

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