VIET NAM QUARTERLY MACROECONOMIC REPORT

Quarter 3 - 2018

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SUMMARY

- Global economic growth is expected to remain high this year (about 3.7%, IMF). In particular, the US economy continued to grow impressively, thanks to increased private spending and fiscal expansion of the government; Japan and EU economies faced a slowdown. Except for China, BRICS economies continued to grow higher than in previous years. The high growth rate of the US economy will cause the Fed to continue raising interest rates, reducing capital inflows to developing countries, especially those with weak macroeconomic fundamentals or political risks.

- China's economy is slowing down partly due to the trade tension with the US, but it is less likely to fall into crisis. Room for China's monetary policy is still plenty enough (low inflation, 2.3% yoy in August; cash reserve ratio remains high, 15.5%; policy interest remains positive, 4.35%; large foreign reserves, over $3,000 billion and so forth) to support China in the fight against external shocks.

- It is highly possible that economic growth of developing countries will be negatively affected by the surge in crude oil price, accompanying with currency depreciation as well as trade tension among large economies. Under such circumstance, consumption price may soar worldwide, especially in developing countries. Inevitably, interest rates will then be raised to cope with the situation, hence, resulting in a downward trend in the financial markets.

- Viet Nam's economy maintained its growth momentum, growing at 6.88% (yoy) in Q3/2018. For the first nine months of the year, economic growth was 6.98% with a solid recovery of agriculture, forestry, fisheries and services (3.65% and 6.89%, respectively) and the 8.89% impressive growth of industry and construction area. Under the current situation, economic growth in the whole year is likely to exceed 6.8%.

- Regarding business activity, while the number of newly established enterprises did not change much, the number of temporarily ceased ones continued to be unusually high. Meanwhile, the number of new jobs in Q3 showed signs of improvement, up by 20% over the same period of last year.

- Inflation (3.98%) was higher than the same period of 2017 due to the recovery of food and energy prices. In such an adverse context, the increase in environmental tax on gasoline to the maximum rate from 2019 will put great pressure on inflation in the coming time as production costs go up.

- Vietnamese economy will receive multi-dimensional impacts due to developments of the world economy. First, despite the potential trade confrontation directly with the US, the trade balance of Viet Nam may be indirectly affected via the trade relationship with China. That VND is tightly pegged to the USD causes Vietnamese goods to be less competitive. Secondly, capital inflows also face adverse impacts as the Fed continuously raised policy interest rates (set one and two more increases in 2018 and 2019 respectively). Moreover, the Fed's interest rate hike also exerts pressure on interest rates of the domestic currency to stabilize the exchange rate and prevent inflation.

THE WORLD ECONOMY

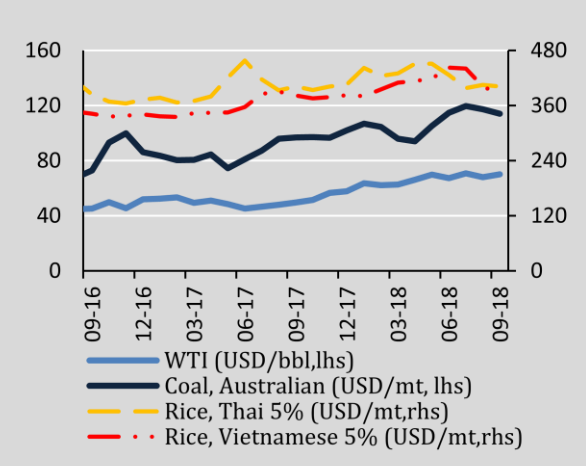
Commodity and asset markets

Commodity markets witnessed an increase in energy prices in Q3, while food prices tended to decrease compared to Q2/2018.

WTI crude oil price in Q3 reached a peak at nearly 75 USD/barrel in the first half of July, which was the highest price in the last three years. The average price in Q3 was close to 70 USD/barrel, up by 1.5% compared to the average price of Q2. However, the oil price in Q3 also went down in many trading sessions due to major events in the world.

The concern about supplies was a major cause of the rising oil prices. The US withdrawal from the Iran nuclear deal and its threat to punish Iran's oil industry pushed oil prices up as Iran is an important member of OPEC. In addition, OPEC and Russia's rebuff to the US call for boost in oil production was also a factor that pushed up oil prices in the context of supply shortage.

Commodity Prices



Source: The Pink Sheet (WB)

On the other hand, there existed factors that curb a sharp increase in the oil prices. The IMF stated that the global economy was showing signs of slowdown amid trade tensions between major economies. Economic slowdown could lead to a decline in demand for oil. Falling sessions in the second half of July after the IMF's assessment of the world economic outlook were clear evidence of this.

Gold Price and USD Index

Source: FRED, www.gold.org

For other energy commodities, Australian coal price in Q3 remained at high level, averaging above 110 USD/ton. In particular, the July average price was the highest in nearly seven years, reaching about 119.6 USD/ton. This could be due to rising demand for electricity in Asian countries during summer.

Regarding food products, both Vietnamese and Thai rice prices tended to decline after a sharp increase in Q2. Remarkably, Vietnam's rice price surpassed Thai one in Q3. One reason given is that Vietnam put more emphasis on high-quality rice products. Besides, the plentiful supply and low demand from traditional markets also made Thai rice price decrease considerably. However, in September, the market was back to normal order when Thai rice price reached an average of 402 USD/ton, higher than Vietnamese rice price by 17 USD/ton.

The Asian stock market in Q2 witnessed a wide fluctuation. Worries about the Fed's decision to raise interest rates and about the US-China trade war caused bewilderment for investors. Particularly, after President Donald Trump's threat to impose tariffs over virtually all Chinese imports in early September, Chinese stocks witnessed strong sell-offs. MSCI Asia Pacific ex Japan Index hit the bottom for 14 months on September 12 at 158.83, down by more than 15% from its peak in January. Meanwhile, since the beginning of September, Japanese stock market has tended to be on the opposite direction after the government's announcement about positive economic growth in Q2, pushing the Nikkei index up by 6.22% just in September.

The cryptocurrency market, in general, continued to decline in Q3, except for price rises in late July. Bitcoin price hit over 6,500 USD/BTC at the end of the quarter, up by almost 10% compared to the bottom at the end of June. Coinmarketcap.com computed that the total cryptocurrency market capitalization dropped by 600 billion USD compared to the peak in January this year. Security issues of trading platforms, as well as the market control pushed cryptocurrencies away from their original purpose as the means of payment of the future.

Gold seemed no longer the safest option for investors despite the complex world context from the trade war between major countries and the currency crisis in emerging economies such as Turkey or Argentina. The stronger dollar could be one of the reasons why gold price continued to decline in Q3. Gold price at the beginning of the quarter fluctuated around 1,250 USD/oz, even up to 1,262 USD/oz on July 9. Then, it witnessed a significant decline in the remaining time of Q3. At the end of the quarter, the gold price was at 1,187 USD/oz, losing more than 5% of its value in just three months.
Meanwhile, the USD value tended to increase continuously in Q3. As the Fed repeatedly signaled to continue to hike interest rates and did once in September, the appreciation of the USD could be

understood. At the end of Q3, the nominal USD index reached 126, a slight increase of 1.6% compared to that at the beginning of Q3. The USD value will probably keep on the rise as the Fed will continue to raise interest rates again by the end of 2018 and in 2019.

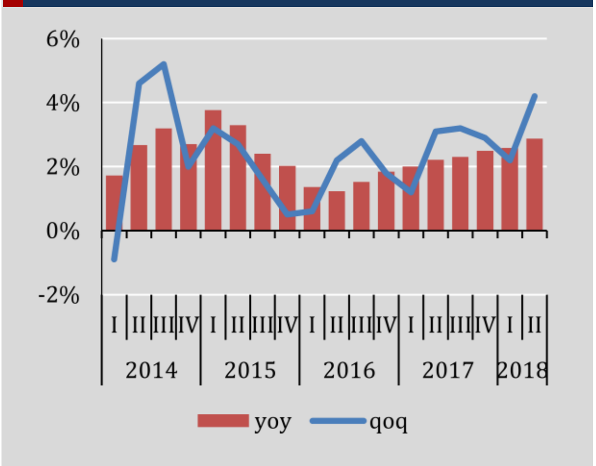
The US economy grew impressively, leading to the Fed's decision to hike interest rates

The third estimate released by the US Bureau of Economic Analysis showed that GDP growth rate was 4.2% (qoq) in Q2. This was the highest quarterly growth rate in nearly four years. The impressive growth in Q2 reflected increases in personal consumption expenditures, federal government spending, and exports. The Fed forecasted that the US economy would probably grow at 3.1% (yoy) in 2018.

By sectors, the service indicators continued to remain high in Q3. In particular, NMI in September reached 61.6, a record high since the index was introduced in 2008. The sub-indexes also showed a strong growth in the non-manufacturing sector in Q3. Specifically, the Business Activity and New Orders indexes were 65.2 and 61.6 in September, respectively. In particular, the Business Activity index marked the 110th consecutive month of growth.

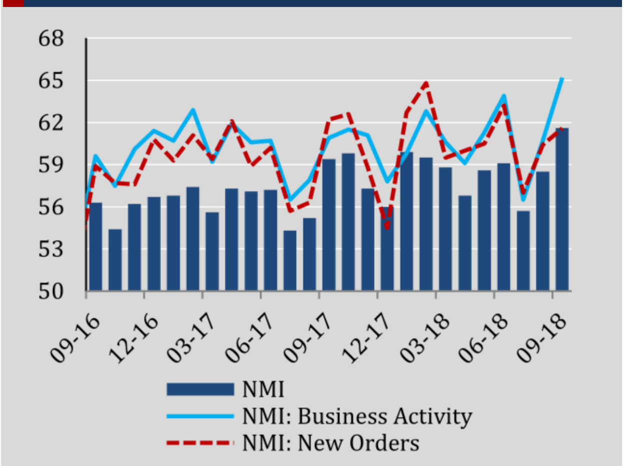
The Fed hiked the interest rates the third time in the year on September 26 . Accordingly, the basic interest rate was raised by 0.25% to 1.25%-1.5%. The Fed made this decision after considering that the economy was in a good growth stage and the labor market was strengthened. The Fed signaled that it would continue to normalize monetary policy in the coming

US Economic Growth (%)



Source: CEIC

US Non Manufacturing Index



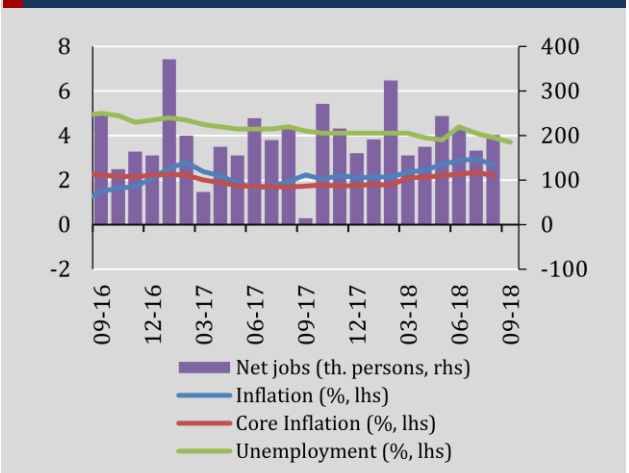
Source: CEIC

time. Meanwhile, the unemployment rate of 3.7% in September was the lowest level since 1969. The net number of new jobs decreased in Q3 compared to the same period last year, reaching 166 and 201 thousand in July and August respectively (compared to 190 and 221 thousand in 2017).

Another important factor leading to the Fed's decision to hike interest rates was that both the core and headline inflation remained above the target of 2%. After a continuous increase since February, both of them decreased slightly in August, reaching 2.70% and 2.20%, respectively.

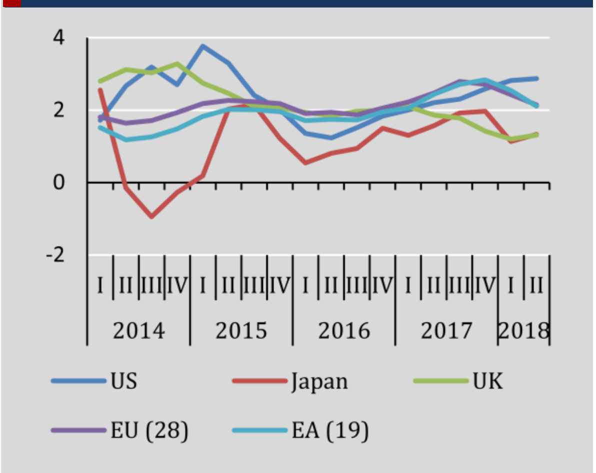
Trade tensions between the US and partners continued to escalate in Q3. After imposing tariffs on 200 billion USD of Chinese goods, President Donald Trump announced that the US would impose tariffs on an additional 267 billion USD of Chinese goods. This means that almost all goods imported from China into the US were taxed. In addition, Trump also reconsidered trade with Japan and Europe as the US also ran a trade deficit with these partners. In the opposite direction, not only China but other partners also reacted strongly. The European Union warned that 300 billion USD of US goods would be levied on retaliation if Trump raises tariffs on cars imported from this region. However, it seems that measures to reduce the trade deficit of Donald Trump with trading partners such as China were not effective as the US trade deficit in recent months has widened (53.24 billion USD in August (seasonally adjusted), up by 6.4% compared to July).

US Inflation and Unemployment (%, yoy)



Source: CEIC

Economic Growth in Selected Advanced Countries (%, yoy)



Source: OECD

The EU economy faced a slowdown

The European economy continued to recover in Q2, although the growth rate was significantly lower than in Q1 as well as the same period last year. Economic growth in Q2 of EU28 and EA19 was 2.14% and 2.11% (yoy), respectively, the lowest rate since Q1/2017. The continued decline in PMI from the beginning of the year also showed slower growth in the manufacturing sector, although it still maintained above 50. PMI in September only reached 53.2, compared with 60 in early 2018.

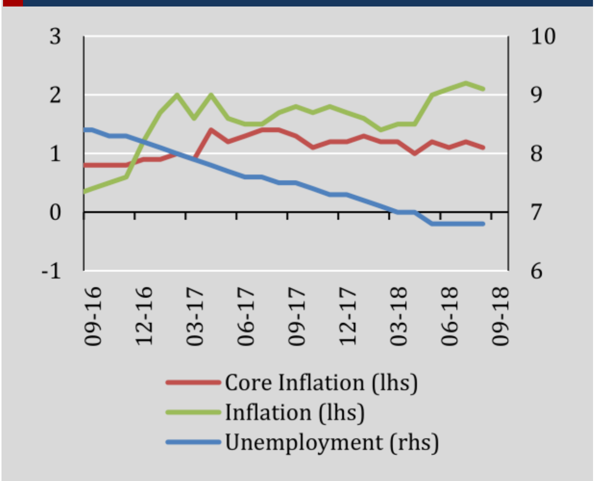
Employment situation continued to improve in Q3. The unemployment rate fell to the lowest level in many years (6.8%), maintaining from May to August. Both the core and headline inflation remained stable in Q3. The headline inflation fluctuated around the target of 2%, while core inflation stayed around 1.1-1.2%.

The UK economy grew at 1.31% (yoy) in Q2, lower than the growth rate of 1.86% in the same period in 2017. There is only half-year left for efforts to complete trade negotiations before the UK is going to officially leave the EU.However, the slow progress of negotiations raised concerns about the supply of necessities and the rising prices as the UK currently imports 50% of foods from abroad.

Under the current situation, the UK economy is forecasted to face many difficulties in the coming time. In the latest World Economic Outlook published in October 2018, the IMF kept its forecast for its economic growth in 2018 and 2019 at 1.4% and 1.5%, respectively.

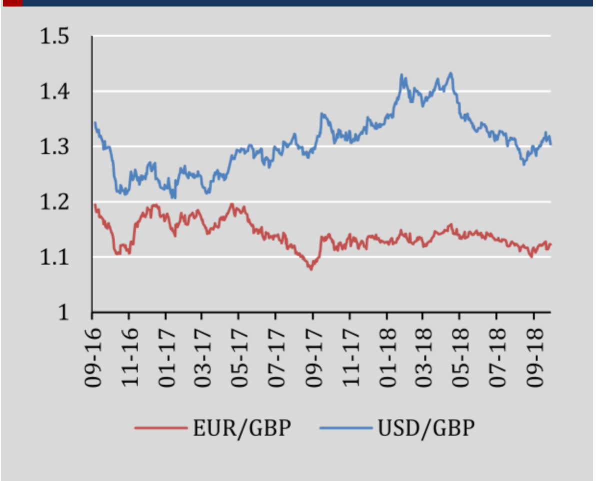
In the context of the strong USD in the world, the depreciation of the GBP against the US dollar is also in the general trend.

Inflation and Unemployment in EU28 (%)



Source: OECD

EUR/GBP and USD/GBP exchange rates



Source: BoE

The USD/GBP exchange rate fell slightly by 1.2% in Q3, from 1.3203 USD/GBP to 1.3041 USD/GBP. Meanwhile, EUR/GBP exchange rate remained more stable in Q3, fluctuated around 1.120 EUR/GBP.

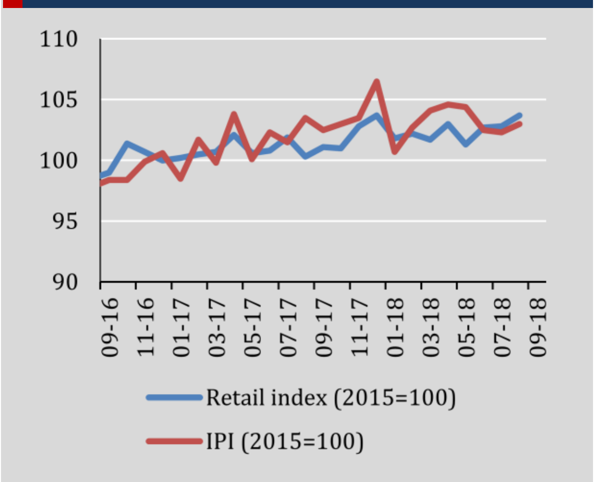
Japanese economy get out the brink of recession

Japan's economy grew at 1.9% (qoq) in Q2, exceeding the previous forecast of 1.4%, according to data from the Japanese government. This growth officially ended concerns about the recession risk of the Japanese economy as GDP in Q1 witnessed a negative growth at -0.9%.

The growth rate of industrial production was lower than the same period last year. In particular, Japan's IPI growth rates were 0.20%, 0.79% and -0.48% (yoy) from June to August. Data from the Reuters Tankan survey showed that Japan's exports to the United States in June fell for the first time in 17 months. It seemed that Japan's manufacturing industry has begun to feel the effects of trade protectionism, reflecting the concern of Japanese businesses about ongoing trade tensions. Meanwhile, the service sector in Q3 continued to remain stable, with the retail sales index remaining above 100 and slightly higher than Q2.

In the labor market, the number of employed workers remained relatively stable, around 66.6-66.8 million. The unemployment rate was only 2.5% and 2.4% in July and August, only higher than the 2.2% in May for the past 25 years. Meanwhile, the total job offers to applicants ratio was 1.63, the highest in decades. This figure, on the one hand, reflects the availability and abundance of job

Japan's Retail Sales and Industrial Production (seasonally adjusted)



Source: Japan Macro Advisors

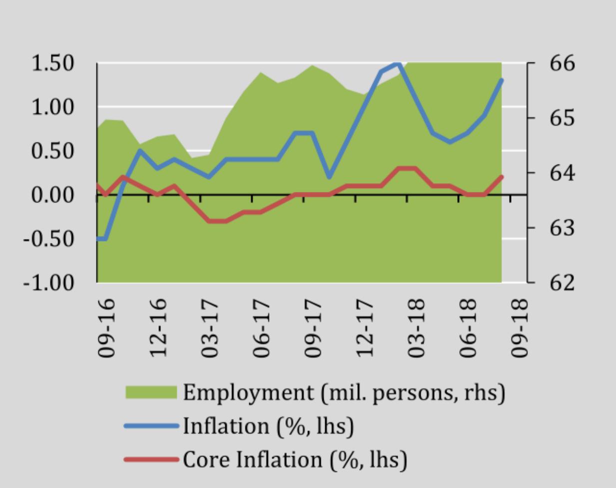
Total Wage and Jobs-to-Applicants Ratio in Japan

Source: Japan Macro Advisors

vacancies; on the other hand, it also demonstrates the severe labor shortage Japan has to face. To cope with this problem, the government has loosened immigration policy to attract the abundant foreign labor force. Japanese companies, however, do not receive a large number of low-skilled labors but select those with appropriate specialist skills.

Meanwhile, inflation witnessed a recovery trend in Q3. Headline inflation exceeded 1% the first time since March, reaching 1.3% in August. Core inflation also returned to positive (0.2%) after two months maintaining at 0%. Such low inflation is the basis for the BOJ to continue its quantitative easing program to reach the target of 2% in the coming time.

Japan's Inflation and Employment



Source: CEIC

Chinese economy slightly slowed

The Chinese economy grew at 6,7% (yoy) in Q2, lower than the growth of the previous quarter (6.8%). The slowdown of the economy could have been the result of Beijing's deleveraging campaign, as well as the US-China trade tensions. According to Iris Pang, Greater China economist at ING Bank, Chine needs to slow financial deleveraging slightly and to turn their focus more on growth-supportive measures, for example increasing liquidity through (bank reserve requirement) cuts.

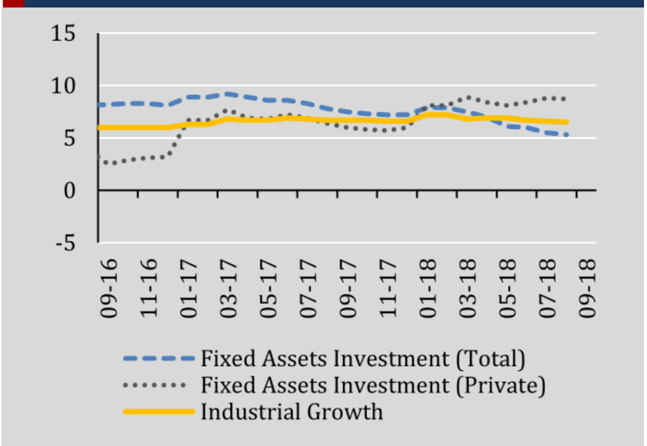
Indicators of investment witnessed a record low. In particular, although private investment in fixed assets in Q3 was higher than that in the same period last year, total fixed investment growth witnessed a record low at only 5.3% (yoy, ytd) in August, far less than the 7.8% in the same period of 2017.

Meanwhile, PMI in Q3 tended to decrease compared to in Q2, but remained above 50 and marked the 26th consecutive month of expansion in the manufacturing sector. Regarding the service sector, NMI remained at a high level, around 54-55.

Ironically, China's trade surplus with the United States broken a record monthly surplus and reached 31 billion USD in August. The reason could be that trade counterparts accelerated transaction before the new tariffs become effective. The record-breaking trade surplus could become a pretext for President Trump to continue escalating the trade war to increase bargaining power on other aspects.

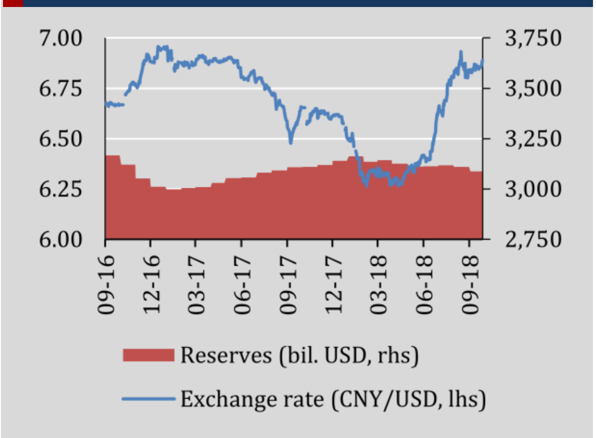
Meanwhile, the foreign exchange market continued to witness a depreciation of the CNY against the USD. The CNY/USD officially had broken the threshold of 6.8 CNY/USD by the end of July, ending Q3 at 6.888 CNY/USD. This was the lowest value of CNY in 15 months.

Investment and Industrial Growth (%, yoy, ytd)



Source: CEIC

China's Exchange Rate and Reserves

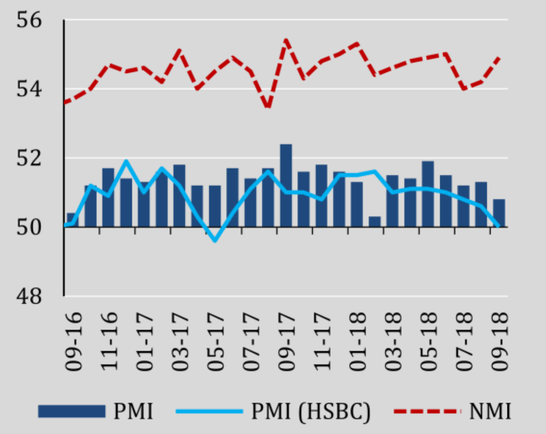


Source: FRED, CEIC

China's foreign exchange reserves fell to 3,087 billion USD in September, the lowest level in 14 months. In the context of the strong dollar, this seemed to indicate that market factors played a key role in the course of the CNY. The People's Bank of China (PBOC) reduced its foreign exchange reserves as a passive policy of protecting the CNY, not actively devaluing the currency as a weapon for the trade war.

To prove this, we can view at the balance of payments of China in the first half of 2018. According to data from the State Administration of Foreign Exchange (SAFE), the current account deficit was 28.8 billion USD. Meanwhile, the capital and financial balance (including reserve assets) reached a surplus of 78.5 billion USD. The total surplus of the two balances reached nearly 50 billion USD. Meanwhile, foreign exchange reserves declined (PBoC sold foreign currencies), indicating that a large amount of foreign currencies was flowing out of China, causing the CNY to depreciate and PBoC wanted to cope with this situation.

China's PMI & NMI



Source: AASTOCKS

US-China trade tensions and world economic prospects

After China had repeatedly retaliated against the US tariff policy, President Donald Trump claimed that he could impose tariffs on almost all imported goods from China into the US.

China exports about 1/5 of its goods to the US. Conversely, the US exports about 1/10 of its goods to China. Obviously, as the trade war escalates, China will be more vulnerable than the US.

However, the US not only declared trade with China but also threatened other major trading partners. The IMF noted that the US was especially vulnerable if trade wars would go further as it would become the focus of global retaliation. In addition, the IMF estimated that global economic growth would lose 0.5 percentage point from now to 2020, equivalent to a loss of 430 billion USD.

In the short term, China may face many difficulties. However, the export market is probably not the biggest problem for China. The likely problem is that technology import of this country will be interrupted.

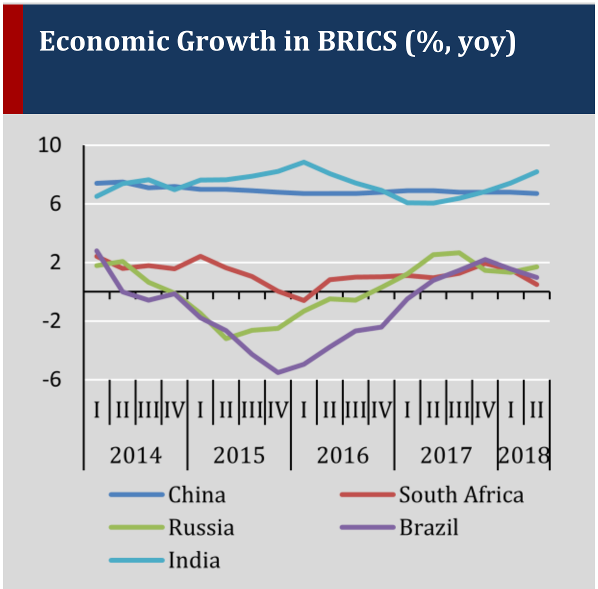
The small neighboring countries of China like Vietnam, in short, can benefit from the US-China trade war if they have an appropriate exchange rate policy (as VEPR once considered), as well as take advantage of the investment wave shifting away from China. However, in the medium term, if Vietnam does not have a plan to improve labor productivity, the advantage is easily lost to other countries with cheaper labor and higher productivity. In addition, Vietnam needs to strengthen the market mechanism to avoid punishment from the US and its counterparts, as applied to China (as in the USCM).

BRICS countries still experienced different growth trends

The BRICS economies continued to witness different growth trends. While China showed signs of a slowdown, Russia and India grew well in Q2/2018.

Russia's economy recorded a positive growth at 1.70% (yoy), higher than the previous two quarters (1.46% and 1.32%, respectively). Contribution to GDP growth in Q2 was growth from the mining and manufacturing industries. After negative growth at the end of last year, the IPI of Russia continued to recover. IPI growth peaked in April and July at 3.9%. In addition, the hosting of the World Cup in June also boosted the economy of the country, especially tourism-related industries. In the near future, rising oil prices will be able to support the country's economy more against the effects of political tensions with the West.

Indian economy in Q2 witnessed an impressive growth at 8.2% (yoy). This growth helped India consolidate its position as the world's fastest-growing major economy. According to the latest data from the World Bank, last year India overtook France as the sixth-largest economy in the world. With positive growth momentum, India's economic ranking will improve rapidly. However, a short-term obstacle which is likely to curb India's economic growth is the rising of oil prices as India is the world's third-largest oil importer.



Source: OECD

ASEAN experienced Q3 with ups and downs

In the context of global economic uncertainty, in World Economic Outlook published in October 2018, the IMF kept its forecast for 2018 and lowered the one for 2019 for ASEAN-5 (Indonesia, Malaysia, Philippines, Thailand, and Vietnam). Accordingly, the forecast growth for ASEAN

Source: CEIC

is 5.3% and 5.2% (yoy) for 2018 and 2019, respectively.

Indonesia's economy grew at 5.16% (yoy) in Q2. In the context of currenciy sell-offs inemerging economies due to unfavorable conditions, the central bank of Indonesia repeatedly had to use foreign exchange reserves to curb the devaluation of the currency. In Q3, President Widodo pleaded with exporters to bring earnings back home to save the Rupiah. By the end of August, the Indonesian currency lost 8% of its value compared to the end of 2017.

Thailand's economy grew well in Q2, at 4.6% (yoy). While other emerging economies were facing a domestic currency crisis, the Baht remained stable as the current account surplus and foreign exchange reserves was maintained at high levels. However, the strong Baht will have a negative impact on export in the near future.

Meanwhile, Philippines' economy grew only at 6.0% (yoy) in Q2, after a long period of high growth. This country faced high inflation. In August, inflation rose to 6.4% (yoy), the highest level in nine years. Raising interest rates this year to curb inflation and keep domestic currency stable is necessary for this country.

Global Economic Prospects (%)

	WEO (10/2018)			GEP (6/2018)		
	2017e	*2018p*	*2019p*	*2017e*	*2018p*	*2019p*
Global Economy	**3.7**	**3.7 (-0.2)**	**3.7 (-0.2)**	**3.0 (0.3)**	**3.1 (0,2)**	**2.9 (0.1)**
Advanced countries	**2.3**	**2.4 (0.0)**	**2.1 (-0.1)**	**2.3 (0.4)**	**2.2 (0,4)**	**1.9 (0.2)**
US	2.2	2.9 (0.0)	2.5 (-0.2)	2.3 (0.2)	2.5 (0,3)	2.2 (0.3)
Euro area	2.4	2.0 (-0.2)	1.9 (0.0)	2.4 (0.7)	2.1 (0,6)	1.7 (0.2)
UK	1.7	1.4 (0.0)	1.5 (0.0)	1.7 (0.1)	1.5 (0,1)	1.5 (0.0)
Japan	1.7	1.1 (0.1)	0.9 (0.0)	1.7 (0.2)	1.3 (0,3)	0.8 (0.2)
BRICS countries	**4.7**	**4.7 (-0.2)**	**4.7 (-0.4)**	**4.3 (0.2)**	**4.5 (0,0)**	**4.7 (0.0)**
Russia	1.5	1.7 (0.0)	1.8 (0.3)	1.7 (0.4)	1.7 (0,3)	1.8 (0.4)
China	6.9	6.6 (0.0)	6.2 (-0.2)	6.8 (0.3)	6.4 (0,1)	6.3 (0.0)
India	6.7	7.3 (0.0)	7.4 (-0.1)	6.7 (-0.5)	7.3 (-0,2)	7.5 (-0.2)
Brazil	1.0	1.4 (-0.4)	2.4 (-0.1)	1.0 (0.7)	2.0 (0,2)	2.3 (0.2)
South Africa	1.3	0.8 (-0.7)	1.4 (-0.3)	0.8 (0.2)	1.1(0,0)	1.7 (-0.3)
ASEAN-5 countries	**5.3**	**5.3 (0.0)**	**5.2 (-0.1)**			
Indonesia	5.1	5.1	5.1	5.1	5.2	5.3
Malaysia	5.9	4.7	4.6	5.9	5.4	5.1
Philippines	6.7	6.5	6.6	6.7	6.7	6.7
Thailand	3.9	4.6	3.9	3.9	4.1	3.8
Viet Nam	6.8	6.6	6.5	6.8	6.8	6.6
Laos	6.9	6.8	7.0	6.7	6.6	6.9
Cambodia	6.9	6.9	6.8	6.8	6.9	6.7
Myanmar	6.8	6.4	6.8	6.4	6.7	6.9

Note: ( ) Differences from latest forecast in parenthese; e stands for estimates; p stands for prediction

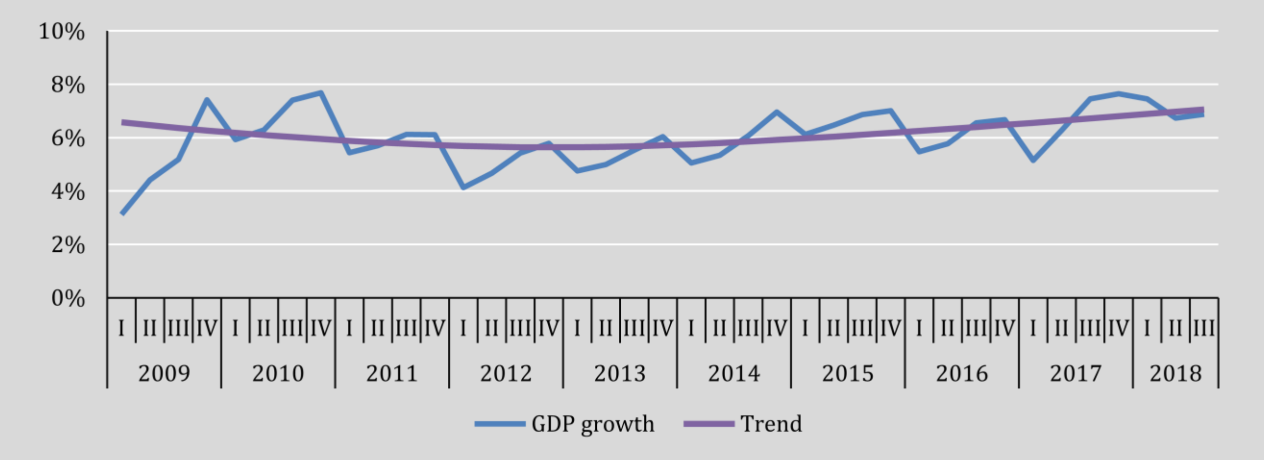
Source: World Economic Outlook (IMF), Global Economic Prospects (WB)

THE VIETNAMESE ECONOMY

Growth-Inflation

Vietnamese economy continued to grow

Viet Nam Economic Growth (%, yoy)

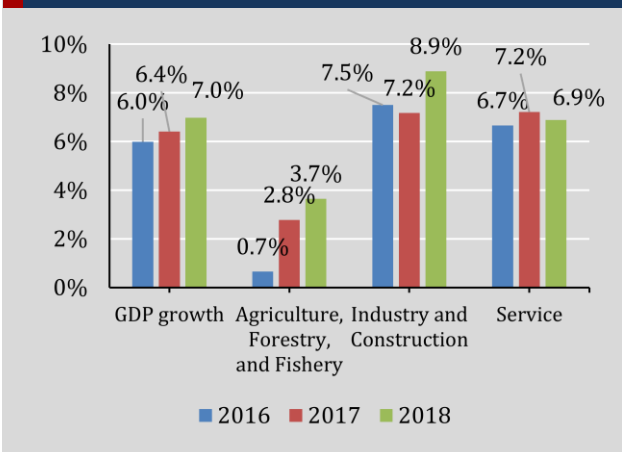


Source: Calculation from GSO data

According to the announced data by the GSO, the Vietnamese economy in Q3/2018 grew at a rate of 6.88% (yoy), removing judgments about the gradual downward trend of quarterly economic growth in 2018. For the first nine months of this year, GDP growth rate was estimated at 6.98%, the highest rate compared to the same period of previous years since 2011.

The service sector grew at a relatively positive rate of 6.89% (yoy) in the first three quarters of 2018, and yet this rate was lower than the same period of 2017 at 7.21%. Of which, the sub-sector that contributed the most to the overall growth was wholesale and retail, up by 8.48% (yoy), which was also the highest growth rate of all sub-sectors. Besides, according to data from the Viet Nam National Administration of Tourism (VNAT), the number of foreign visitors to Viet Nam also increased dramatically with over 11.6 million visitors, up by 22.9% (yoy). That the number of visitors coming by road rose by 62.1% (yoy) illustrated the surge in foreign visitors from neighbor countries in 2018.

Economic Growth by sector, first nine months (%, yoy)

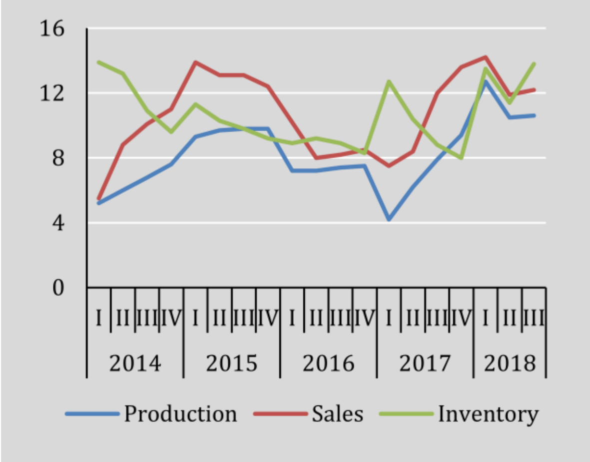


Source: GSO

Q3 marked a strong recovery of the agriculture, forestry and fishery sector with a 3.65% (yoy) growth, much higher than the same period of the past two years (2016: 0.65%, 2017: 2.78%) thanks to many external favorable factors. The animal husbandry witnessed positive signs with a continuous increase in the pork price this year after a plunge in 2017 that caused severe losses for farmers. The fishery has continued to be the bright spot of this sector with the highest growth in the past eight years of 6.73% (yoy). Due to the growing demand of export markets, raw pangasius price continued to hold at a record high, 30,000-33,000 VND/kg. Therefore, exports of this item were up by 24% (yoy).

Meanwhile, the industrial and construction sector grew at a remarkable growth rate of 8.99% (yoy) in the first nine months of 2018, much higher than the same period of previous years (2016: 7.50%, 2017: 7.17%). The manufacturing industry with the flagship Samsung continued to be the main driving force of this sector with a very high growth rate of 12.65%. Meanwhile, the mining and quarrying sector for the first three quarters of 2018 declined by 1.97% (yoy). Nonetheless, this rate was far lower than the same period of 2017(-8.08%). It can be said that the reason for such fact was that despite the planned reduction of the crude oil production volume, the significant upward trend of the world petrol price hampered the severe decline of the mining and quarrying sector.

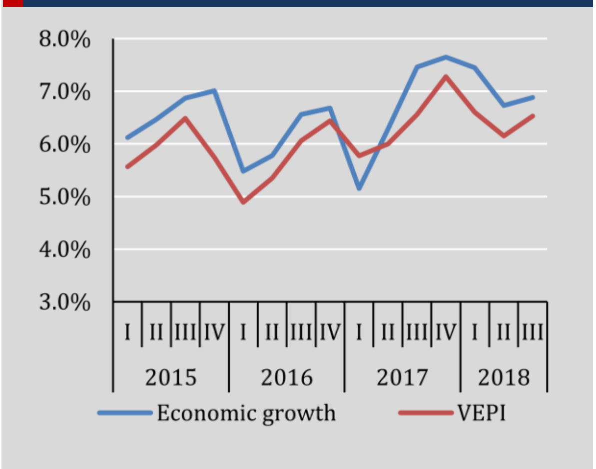
Selected Industrial Indicators (%, ytd)



Source: GSO

Industrial production indicators continued to show positive signs in Q3 and the first nine months of 2018. For Q3, the industrial production index (IPI) was up by 10.7% (yoy). IPI for the first three quarters also grew by 10.6% (yoy), the most impressive growth since 2012. Of which, the manufacturing continued to record the highest growth rate at 12.9%. Consumption index kept improving, reaching 12,2% (yoy) for the first three quarters of 2018.

Viet Nam Economic Performance Index



Source: VEPR

However, inventory index by September 30, 2018 rose considerably to 13.8% (yoy). Some sub-sectors experienced higher growth in the inventory index than that of the whole industry sector, such as coke and refined petroleum products (up by 149%); electronic products, computers, and optical products (up by 73.6%); electrical equipment (up by 63.6%). A high inventory index may have negative effects, resulting in a temporary slowdown in production of the sector.

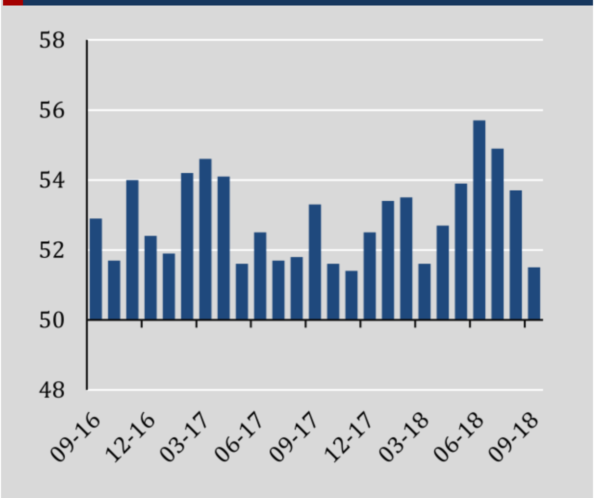
The Viet Nam Economic Performance Index (VEPI), which was developed by VEPR using data on electricity, export and import turnovers, credit growth, investment, and IPI index, reached 6.53% in Q3/2018, roughly equal to Q3/2017 (6.56%). VEPI went up after a fall in the first two quarters of 2018, reflecting again the fact that the VEPI index is based on historical data, so its volatility partly reflects seasonal fluctuations. In particular, the growth rates are usually low in Q1 and Q2, then recovers in the last half of the year. The growth in Q3 was mostly contributed by the manufacturing sector. Such high rate of 6.53% was still lower than that of Q3/2017, emphasizing again the unusually high economic growth rate of this period.

The number of temporarily ceased firms continued to soar while new jobs improved

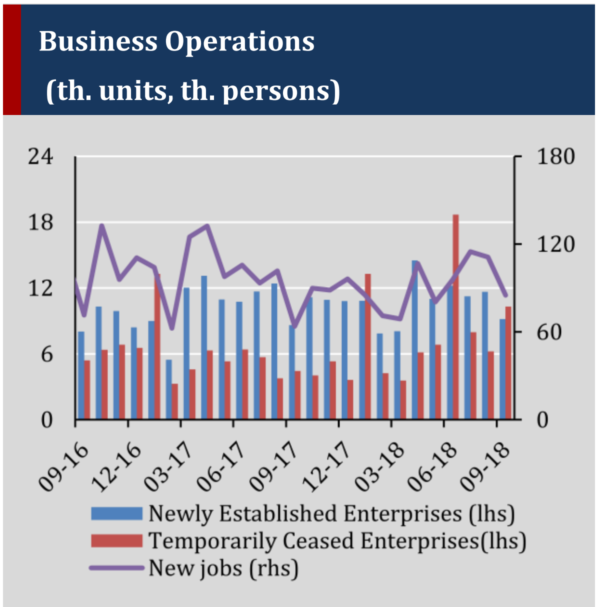
In the context of high GDP growth, Purchasing Managers' Index (PMI) in Q3 declined compared to Q2. After reaching a peak of 55.7 point in June, PMI gradually shrank, reaching 51.5 in September and showing slower expansion in the manufacturing sector. September still marked the 34th consecutive month of expansion (higher than 50 points).

According to the survey on the business trend of manufacturing enterprises conducted by the GSO, optimism of enterprises did not change much in Q3. Of all the surveyed enterprises, 43.1% rated their business performance in Q3 better than Q2 (with 45%). This share was nearly the same as last year (41.5%). In contrast, there were 17.8% enterprises rating worse.

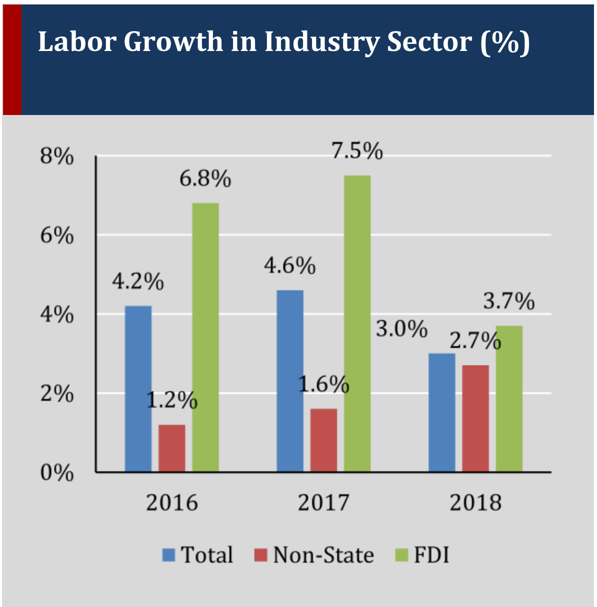
Viet Nam's PMI



Source: HSBC, Nikkei



Source: GSO



Source: GSO

Regarding business activities, the number of newly established enterprises in Q3 did not differ much from that of the same period of 2017 (32,080 compared to 32,691 respectively). For the first nine months of 2018, the number of newly established enterprises was 96,611, up by 2.8% (yoy). The total registered capital was 963.4 trillion VND, up by 6.7% (yoy). The average registered capital per enterprise was 10 billion VND, up by 3.8% over the same period of 2017.

Meanwhile, Q3 continued to witness the unusually large number of enterprises temporarily ceasing operation compared to the same period of last year with 24,501 enterprises, up by 76% (yoy). For the first nine months of 2018, total number of enterprises temporarily ceasing operation was 73,103, up by 48.1% (yoy). With a modest increase in the number of newly established enterprises, the unusual surge in the number of enterprises temporarily ceasing operation makes it difficult to reach the target of one million enterprises by 2020.

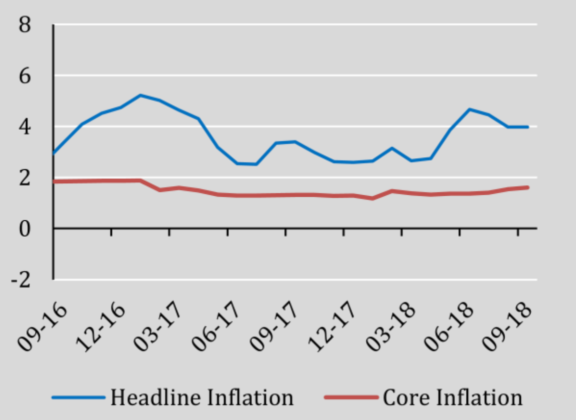
The number of newly created jobs in Q3 was the bright spot in business activities. In particular, for Q3, there were 311.3 thousand new jobs created, up by 20% (yoy). After all, the quality of growth is assessed via the number of newly created jobs. Regarding economic sector, labor growth in the public sector continued to decline by 0.4%, while the non-state and FDI sector recorded growth rates of 2.7% and 3.7%, respectively.

Inflation was higher than the same period of last year, core inflation increased

Following the upward trend in Q2, inflation was still high in Q3/2018. After a considerable rise to 4.67% in June, headline inflation slightly dropped and reached 3.98% in Q3. Nonetheless, such figure was much higher than the same period of last year when inflation in three months of Q3/2017 increased by merely 2.52%; 3.35%; and 3.40% respectively. With no favorable conditions like 2017, inflation in the last quarter of 2018 may exceed 4%. One supporting sign for this judgment is that the petrol price has continued to surge since the afternoon of October 06, 2018.

CPI of the first nine months was up by 3.57%. One main reason for such growth was the considerable recovery in prices of food and foodstuff compared to 2017. After hitting the lowest level in the past 30 years, the pork price in 2018 has strongly recovered because of the imbalance in supply and demand for pork. Such fact was attributed to the last year's pig oversupply crisis which made many producers stop raising pigs. According to the Agro Processing and Market Development Authority, the pork price in Q3 was up by 200% (yoy). With the steady recovery of the pork price since March, raising pigs has created profit again, and therefore, the pork price in Q4 is expected not to increase considerably in the context of more abundant supply.

Inflation (%, yoy)



Source: GSO

Besides, public services also contributed substantially to CPI growth in the first nine months of 2018. Specifically, provinces increased the price of health services according to Circular No. 02/2017/TT-BYT of the Ministry of Health, resulting in an increase of 18.26% in the price of medicament group and 0.71% in the overall CPI. Along with that, the increase in tuition fees also raised CPI of education goods by 7.02% and the overall CPI by 0.36%.

Regarding inflation, the most concerned issue of Vietnamese people is the petrol prices. Generally, the consistent increase of petrol prices will lead to a rise in other goods prices due to higher transportation costs. In the context of increasing energy prices in the world market, together with the increase in environmental protection tax on gasoline to the maximum rate next year, more pressure will be exerted on inflation in the coming time. In our opinion, inflation in 2019 will far exceed the target of 4% recently set by the Government and the National Assembly for recent years. Instead of setting targets without thorough consideration, the Government should introduce drastic measures to restrain inflation risk.

In general, core inflation remained quite stable, rising to 1.61% in September and still far from reaching the level of 2%. Total means of payment in the first three quarters of the year increased by 8.74% compared to the end of last year, much lower than the same period of the previous two years (2016: 11.76%; 2017: 9.59%). In the context of growing pressure on inflation, together with the risk of currency depreciation due to Fed's continuous hike of interest rate, it is more likely that the SBV will have to raise interest rates slightly in order to reach the inflation target of 4% and to stabilize the exchange rate in the ending months of the year. Nonetheless, we believe that this is still a low possibility due to the Government's ambition to boost economic growth.

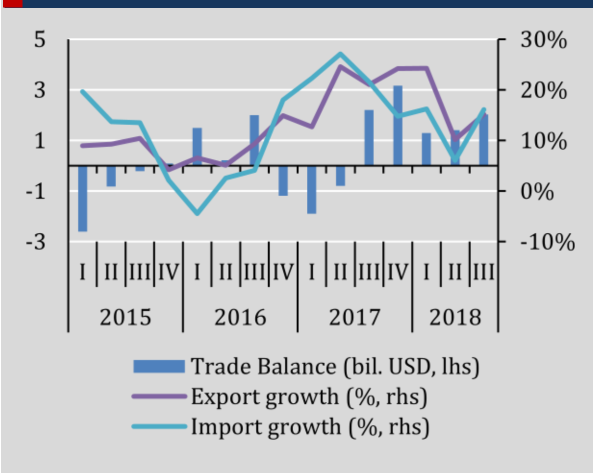
Macroeconomic balances

Trade surplus was maintained

Export and import turnovers in Q3 still showed positive growth, although lower than the same period of last year. In particular, exports and imports were up by 15.2% and 16.1% (yoy), respectively. Q3 also marks the fifth consecutive quarterly trade surplus, reaching more than 2 billion USD. That trade surplus contributed to foreign currency supply, accompanying with the monetary policy of the SBVto prevent the exchange rate from fluctuating too wildly in Q3.

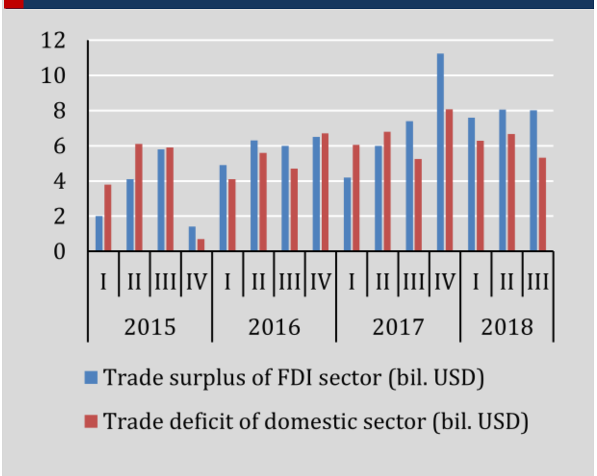
Export turnover in Q3 was estimated at 64.73 billion USD. In particular, exports still

Trade Balance and Growth



Source: GSO

Trade Balance by Sector



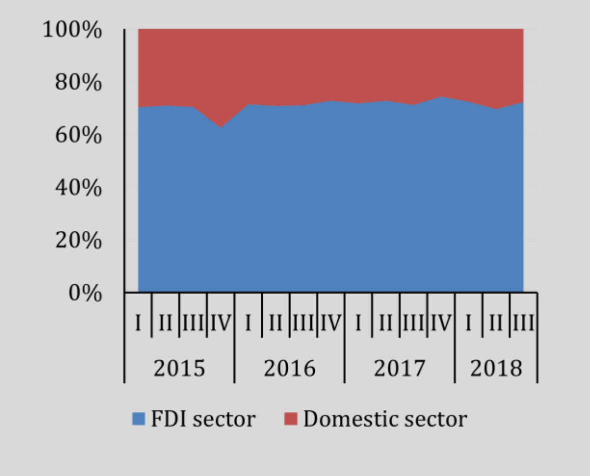
Source: GSO

came mainly from FDI enterprises. Exports from this sector reached 46.98 billion USD, accounting for 72.6% of the total export turnover and up by 17.5% over the same period of 2017. Domestic exports also improved by 11.5% (yoy).

Meanwhile, import turnover of Q1 was estimated at 62.7 billion USD. Specifically, imports of the FDI sector reached 38.97 billion USD, and the domestic sector was 23.32 billion USD. This led to a trade surplus of 8.01 billion USD in the FDI sector and a trade deficit of 5.32 billion USD in the domestic sector in Q3. The FDI sector continued to be the trade leader of the Vietnamese economy, posing a serious challenge to the long-term economic growth of Viet Nam. In the context of a series of uncertainties in the world economy, when there are unfavorable factors, FDI enterprises may gradually withdraw capital from Viet Nam to invest in other countries with more incentives and favorable business conditions. Therefore, it would be difficult for Viet Nam to maintain trade growth in particular and economic growth in general.

By commodity group, in the first nine months, there were 26 groups with exports over 1 billion USD. Of which, exports of some major commodities witnessed a considerable increase, including: mobile phones and components with 36.1 billion USD, up by 14.6%; textile and garment with 22.6 billion USD, up by 17.1%; electronics, computers, and components with 21.6 billion USD, up by 16.7%. Meanwhile, crude oil exports reached a mere of 1.7 billion USD, down by 4.6% due to a decrease in output by 45.2%. It wasthe result of the government's orientation to reduce the economy's dependence on natural resources despite a sharp increase in the world energy prices.

Exports by Sector



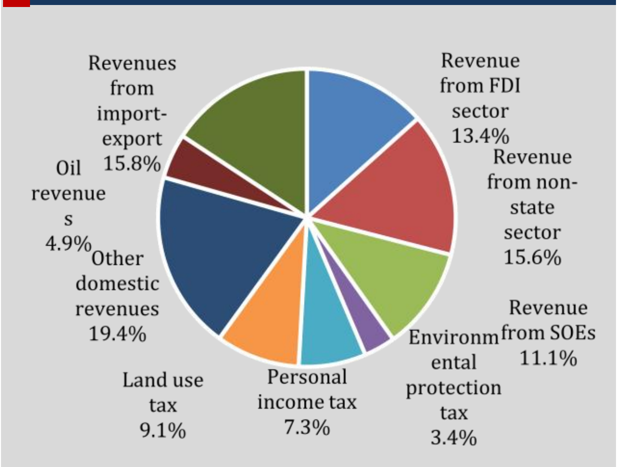
Source: GSO

Regarding imported goods in the first three quarters, imports soared in materials for the manufacturing sector, reaching 159.2 billion USD, accounting for 91.8% of total imports. In particular, machinery, equipment, and spare parts accounted for a large proportion, reaching 72.8 billion USD, up by 4.6%. By partner, the US replaced the EU to become the largest export market of Viet Nam with a turnover of 34.9 billion USD (up by 12.5%). Such fact may be similar to the situation of China, in which trade was boosted before new tariff barriers of the Trump administration took effect. Meanwhile, regarding import market, China remained the largest importmarket of Viet Nam with a turnover of 47.1 billion USD (up by 12.4%). South Korea replaced China again as the largest trade deficit partner of Viet Nam. In the context of the US-China trade war and the continuous depreciation of the CNY, concerns over cheap Chinese products flooding Vietnamese market and negatively affecting the trade balance are raised. Trade deficit with a developed country like South Korea may bring opportunities for Viet Nam to learn technology advances, instead of only receiving cheap consumption goods. Nonetheless, as the US-China trade tension is likely to last for years, if the appreciation of the VND against the CNY remains, China will inevitably possess the first position in terms of trade deficit partners.

Budget balance improved against the same period of previous years

By September 15, 2018, total state budget revenue reached 898.3 trillion VND, equal to 68.1% of the whole year's plan. Of which, domestic revenue was 710.1 trillion VND, accounting for 79% of total revenue. Some major domestic revenue sources include: revenues from non-state enterprises (139.7 trillion VND, about 64.1% of the whole year’s plan), revenues from FDI enterprises (119.8 trillion VND, about 53.7% of the plan). The contribution of SOEs fell sharply from 17.5% (2017) to 11.1% (2018) of total state budget revenue.

Structure of Budget Revenue, first nine months of 2018



Source: GSO

Meanwhile, total state budget expenditure was estimated at 936.6 trillion VND, equal to 61.5% of the yearly plan. Recurrent expenditures accounted for 69.5% of total expenditure, reaching 651 trillion VND. Expenditure for development investment, the internal force for long-term economic growth, made up 20.6% of the total.

The budget deficit in the first nine months of the year was 38.3 trillion VND, much lower than the same period of previous years (2016:-154.2 trillion VND; 2017: -65.2 trillion VND). Such positive signs may stem from the slow disbursement of public investment.

Fluctuations in state budget revenue and expenditure data over months did not reflect fiscal changes in Viet Nam as such data are temporary and will be significantly adjusted at the end of the year. In general, there have been no significant improvements in state budget structure compared to previous years with recurrent expenditure making up the majority and expenditure demand far exceeding revenues. In our opinion, if the Government does not curb public expenditure, measures of introducing new taxes or increasing current tax rates will remain notable black spots of fiscal situation in the coming time.

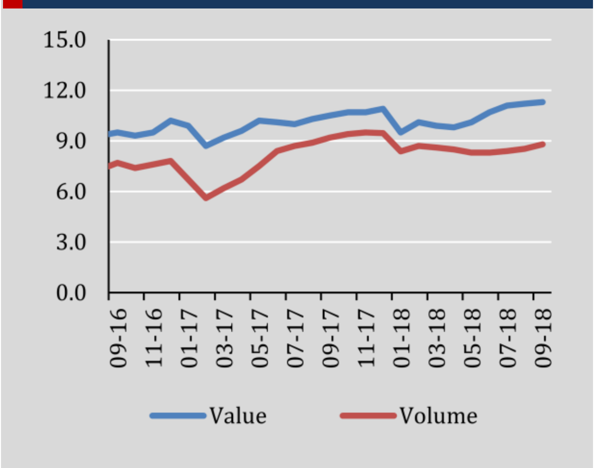
Another issue is the planned expenditure for development investment. After nine months of 2018, development investment expenditure accounted for a mere of 48.2% of the whole year's plan, roughly equal to previous years. Some questions are raised: Why the Government, particularly the Ministry of Finance, does not cut yearly planned state budget expenditure for development investment if the planned figures keep surpassing the implemented figures? Are there any factors preventing the Government from meeting the plan for years?

Consumption grew steadily, FDI capital declined

According to data of the GSO, Q3 continued to witnesse an increase in consumption. Total retail sales of goods and services in the first nine months of 2018 were estimated at 3,235.1 trillion VND, up by 11.3% (yoy) compared to the same period of last year. This growth is higher than the same period last year (10.5%). At the same time, consumption was enhanced in terms of quantity with the growth rate of 8.8% (yoy), excluding price factors, lower than the same period of previous years (9.2%). Similar to the judgment in Q2, it reflects a relatively strong recovery in prices this year.

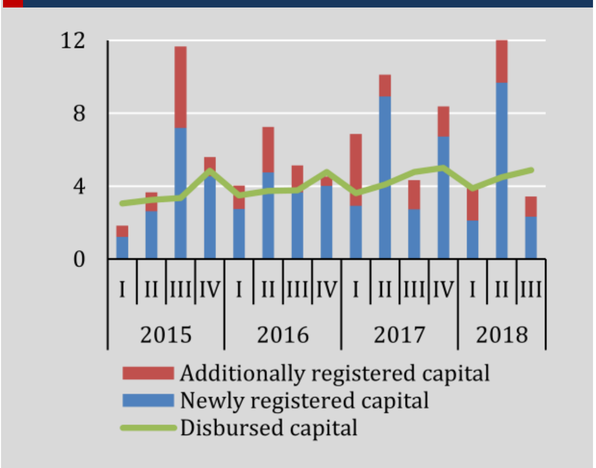
Among consumption goods, necessities that witnessed significant growth rate were food and foodstuffs (up by 13%); garment (up by 12.4%); and household appliances (up by 11.8%).

Retail Growth (%, ytd, yoy)



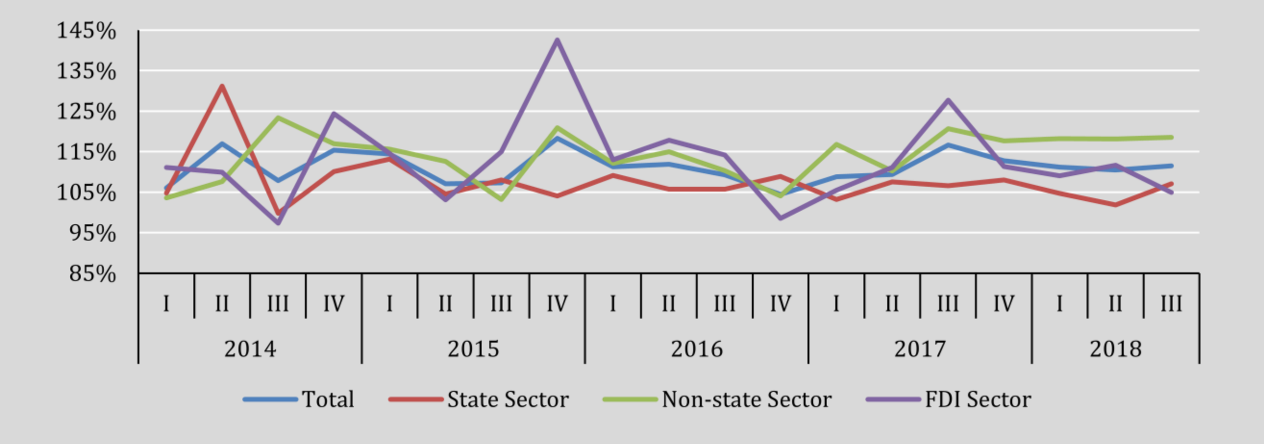
Source: GSO

Foreign Direct Investment (bil. USD)



Source: MPI

Total Social Investment (yoy), 2014-2018



Source: Calculation from the GSO data

Regarding total social investment, Q3 witnessed a slight recovery. The total investment capital in Q2 was estimated at 505.6 trillion VND, up by 11.5% over the same period last year and lower than the rate of 16.6% of Q3/2017. Of which, the non-state sector recorded the highest growth rate of 18.6% (yoy), doubling the growth rate of the state sector and four times as great as that of the FDI sector.

Regarding foreign direct investment (FDI), the disbursed capital was 4.88 billion USD, only up by 2.1% compared to the same period of 2017. Meanwhile, the newly and additionally registered capital experienced a sharp drop over Q3/2017. In particular, the former reached 2.32 billion USD (down by 4.7%) while the latter was estimated at 1.11 billion USD (down by 31.1%).

Out of 816 newly registered projects in Q3, 279 projects were in the manufacturing industry with a total registered capital of 3.41 billion USD. There were no large newly registered FDI projects in Q3 like Q1 and Q2.

By partner in the first three quarters of 2018, Japan was the number one investor in Viet Nam with a total registered capital of 7.09 billion USD and 318 new projects. The next positions belonged to South Korea (5.69 billion USD), Singapore (3.67 billion USD) and Hong Kong (1.55 billion USD). Accumulating until September, Korea has continued to be the top foreign investor in Viet Nam with over 61.41 billion USD, followed by Japan (55.78 billion USD).

The monetary and financial markets

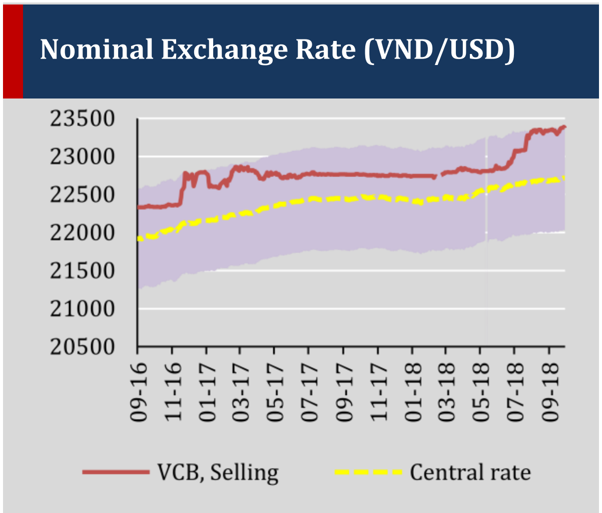
Volatility in the forex market

The Fed's third interest rate hike in Q3, together with the US-China trade tension, pushed the dollar up and made many currencies depreciate.

Accordingly, the selling rate at commercial banks at the end of Q3/2018 was 23,390 VND/USD, up by 1.7% compared to Q2.

Meanwhile, the central rate announced by the SBV was roughly the same as Q2. At the end of Q3, the central rate reached 22,717 VND/USD, up by merely 0.3% compared to the end of June. Because of the growing gap, the selling rate at commercial banks was approaching the ceiling level 3% set by the SBV.

In Q3, the trade surplus of more than 2 billion USD, combined with the large amount of disbursed FDI and the monetary policies of the SBV helped prevent the exchange rate from wild fluctuation. Nonetheless, according to the Ho Chi Minh City Securities Corporation (HSC), the SBV sold more than 3.7 billion USD since July to stabilize the exchange rate. In the coming time, if the appreciation of the USD was



Source: SBV, VCB

maintained, it is possible that the SBV will have to continue selling foreign currencies or raise interest rates to stabilize the domestic currency, bringing about many risks for enterprises. In addition, the unavailability of official data about foreign exchange reserves since July raises public concerns over intervention in the forex market and the remained policy space when foreign exchange reserves shrink. The lack of transparent information may trigger public anxiety as well as speculation in the hope of an increase in the exchange rate, making the intervention costly. Therefore, the SBV needs to publicize data to enhance transparency and its creditability on market governance.

Liquidity of the banking system was low, interbank offered rates soared

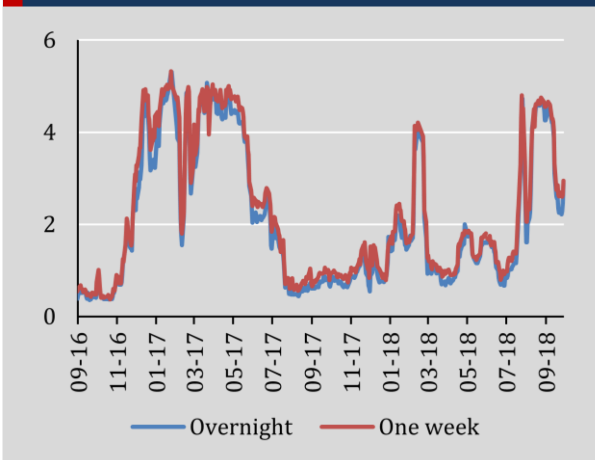
According to data by the GSO, by September 20, 2018, credit growth was 9.52% compared to December 2017, lower than the same period of previous years (2016: 10.46%; 2017: 11.02%). Besides, deposit growth in commercial banks reached 9.15%, also lower than the same period of previous years.

The difference in the deposit-credit growth was one of the reasons for the deficient liquidity of the banking system in Q3/2018. Another reason was that total means of payment grew at a lower rate as the SBV sold foreign currencies in order to stabilize the exchange rate.

As an inevitable consequence, interest rates on the interbank market experienced an upsurge, especially during the period from mid-August to mid-September. The overnight and one-week rates in Q3 sometimes reached 4.7%, even much higher than those near the Lunar New Year. Due to the low liquidity of the banking system, some commercial banks raised deposit rates in the first market. The interest offered rates only declined after mid-September and at the end of Q3 reached 2.89% and 2.95% for overnight and one-week terms, respectively.

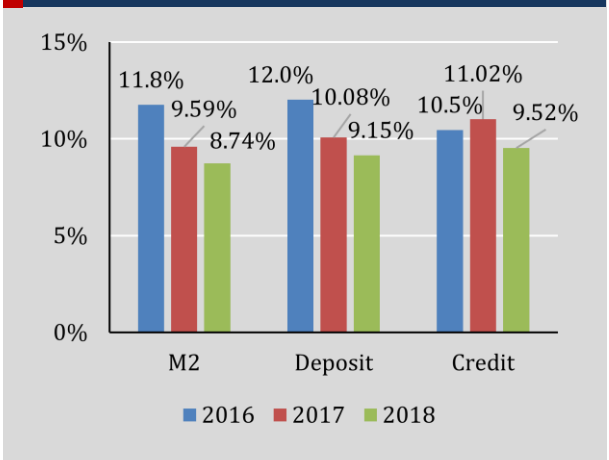
In Q3, the Governor of the SBV approved Directive No. 04 on tight management of credit in risky areas such as real estate and BOT, and more concentration on manufacturing. As a result, credit growth rate in the first nine months of 2018 was merely 9.52%, making the target credit growth rate of 17% in 2018 unfeasible. Nonetheless, it may be a necessary move to restrain the overheating in the real estate market as well as to control inflation. Moreover, as the economic growth rate is highly likely to surpass the target of 6.5-6.7% set by the National Assembly, there is no pressure for commercial banks to inject funds to stimulate the economy.

Interbank Offered Rate (%)



Source: SBV

Growth of M2, Deposit, and Credit, first nine months, 2016-2018



Source: GSO

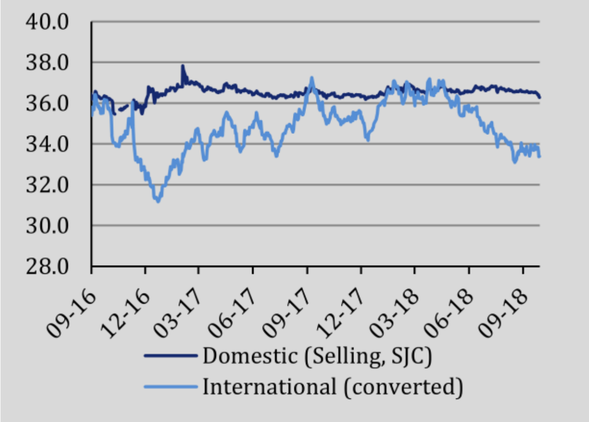
Asset markets

Domestic gold price did not follow the same trend as the world price

As gold is no longer an attractive investment channel, the world gold price followed a downward trend in Q3. Meanwhile, the domestic gold price declined slightly and yet remained more stable than the world price.

Domestic gold price fluctuated around 36.4-36.7 million VND/tael throughout Q3. Meanwhile, the world price decreased considerably from 34.6 million VND/tael (converted) at the end of Q2 to 33.4 million VND/tael on the last trading day of September. The difference between the world and domestic prices after Q3 expanded from 2 million VND/tael to nearly 3 million VND/tael, reflecting the low connectivity between the domestic and the world markets.

Gold Price (mil. VND/tael)



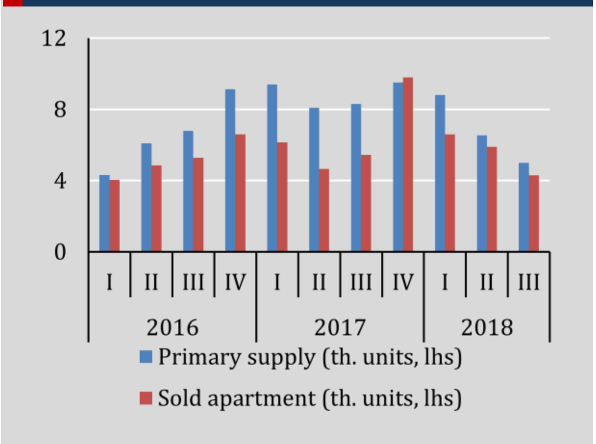
Source: SJC, www.gold.org

Apartment market was depressing

After witnessing a significant decline regarding both newly opened and successfully sold in Q2, the apartment market in Q3 was not better, even worse. It was partly due to the opinion that the seventh lunar month is not good for business activities.

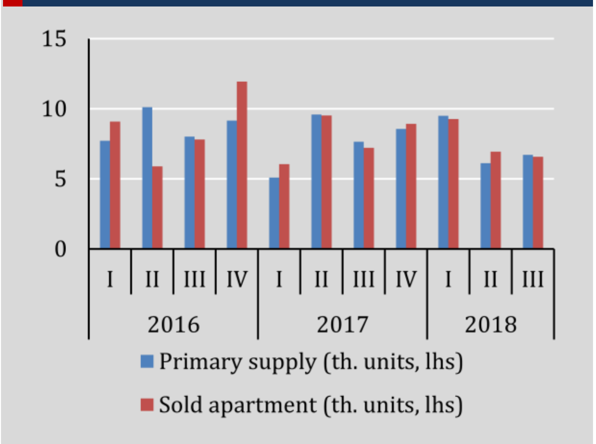
According to CBRE Viet Nam, in Hanoi market, total new apartments for sale in Q3 was 5,000 units, a considerable drop of

Hanoi's Apartment for Sale



Source: CBRE

HCMC's Apartment for Sale



Source: CBRE

23.5% compared to Q2/2018 and nearly 40.0% over Q3/2017. The number of sold apartments also declined significantly to 4,300 units, down significantly by 21.0% over the same period last year and about 27.1% compared to Q2/2018.

In HCMC market, although the number of new apartments for sale surpassed that of Q2/2018, the number of successful transactions witnessed a substantial drop as in Hanoi market. Specifically, the number of new apartments for sale in Q3 was 6,711 units, up by 9.9% over Q2/2018, and yet down by 12.3% against the same period of 2017. Meanwhile, transaction number reached 6,568 units, slightly lower than Q2/2018 (6,947 units) and down nearly 8.9% over the same period last year.

The intermediate segment continued to hold the leading role in both supplies and sold apartments. According to CBRE Viet Nam, in Q4, some large-scale projects in the intermediate segment will start selling, reinforcing the first position of such segment with a proportion of about 60% of the market supply.

Besides, the real estate sector was still attractive to foreign investors in Viet Nam. According to data from Foreign Investment Agency of the Ministry of Planning and Investment, in the first nine months of 2018, the real estate ranked second place after the manufacturing in terms of registered FDI capital, with 5.85 billion USD, accounting for about 23% of the total FDI capital in Viet Nam. This figure was relatively higher than that of 2017 (4.5%), showing the fact that foreign investors still see Viet Nam as a highly potential market.

Nonetheless, with Directive No. 04 about tightening credit in the real estate sector as well as the possibility of an asset price drop due to the possible increase in interest rates, the real estate market may decline in the coming time.

PROSPECT FOR THE ECONOMY IN 2018 AND POLICY NOTES

Q2/2018 witnessed the different growth trends of the major economies in the world. While the US and India experienced significant economic growth, Chinese and the EU economies witnessed a slowdown. The escalating trade war among large economies brings about both pros and cons for Vietnamese economy. However, in general, the global economy and trade will confront a downturn while tariff barriers are created.

In contrast to previous forecasts, GDP in Q3 of Viet Nam grew considerably at 6.88%, higher than Q2/2018. Industrial Production Index in the first nine months increased by 10.6% over the same period last year. Of which, the manufacturing industry continued to be the main driving force of economic growth with the IPI increasing by 12.9%. Nonetheless, the majority of the added value came from the FDI sector, which reflects the growing dependence of Vietnamese economic growth on the FDI sector.

Inflation in Q3, though not as high as Q2, was quite substantial mainly due to the strong recovery of food and foodstuff prices and the continuous increase of the petrol price. With the current progress of the world fuel price, we believe that the increase in environmental tax on gasoline to the maximum rate from 2019 may put great pressure on inflation. In such adverse

Growth-Inflation forecast 2018

With positive growth of 6.88% in Q3, VEPR Research Team still believe the feasibility of the target growth of 6.5-6.7% for the year 2018. There is a high possibility that Vietnamese economic growth rate in 2018 will surpass 6.8%. Nonetheless, in the context of the ongoing trade war and protectionism, the future of Vietnamese economy contains lots of uncertainties when confronting shocks from the world economy.

In addition, we believe that in order to reach the average annual inflation target of 4%, fuel prices in Q4 should not experience considerable shocks.

In that context, we forecast growth and inflation in 2018 as follows:

Growth- Inflation in 2018 (%, yoy)

	Economic Growth	Inflation
Q1	7.38	2.66
Q2	6.73	4.67
Q3	6.88	3.98
Q4	6.56	4.25
2018	6.84	

Source: VEPR

Although this year's inflation is assessed as in control, we are still worried about inflation in 2019 if the world fuel price remains high as well as the increase in environmental tax on gasoline to the maximum rate is conducted as of January 1, 2019 (from 3,000 to 4,000 VND/liter). According to our preliminary calculation, such move can increase the inflation rate in the next year by 1.6 percentage point. Therefore, the SBV should be prudent in controlling the money supply and credit in the coming time to control inflation.

context, it is difficult to achieve the target of 4% as previous years.

Due to the Fed's rate hike, the USD has become stronger, which will cause relatively significant fluctuation in the VND/USD exchange rate. Both measures of selling foreign currencies or increasing interest rates to stabilize the domestic currency in the short term may bring about risks for the economy. Foreign currency reserves by importing weeks of Viet Nam are quite moderate, therefore, intervention is constrained. Moreover, raising interest rates will result in disadvantages for enterprises in 2019 and 2020. For Viet Nam to adapt to the trade friction, a prudent devaluation of the VND against the USD should be conducted at a lower rate than the depreciation of the CNY against the USD.

In a longer term, institutional reform should be quickly implemented for Vietnamese economy to really become a market economy. Therefore, Viet Nam can avoid unfair treatment as the way the US set a precedent in the relationship with China. It can be said that the conflict between the two countries may provide opportunities for Viet Nam to boost reforms to proactively improve the relationship with the two countries.

In terms of macroeconomic issues, Viet Nam should put more efforts to expand policy space to better withstand external risks. In particular, it is necessary to continuously lower budget deficit, increase trade surplus, improve business environment and administrative procedures, and fight against corruption, and so forth.

Trade data in August announced by the General Department of Viet Nam Customs and the GSO were absolutely different. Therefore, problems about the transparency and accuracy of economic statistical data in Viet Nam were again raised. The GSO plays the leading role in collecting data, therefore, it should strengthen collaboration with competent agencies to publicize more accurate data to the public, instead of publishing estimated data with hastiness to meet the schedule for announcement.

In Q3, there were signals that the State Capital Management Committee is going to complete its apparatus to start operation. Due to the huge amount of capital, we believe that the target of enhancing the effectiveness of capital management is unfeasible. The primary objective of the Committee should be the amount of capital sold through transparent and controlled equitization.

Note: Long-term and structural policies will be discussed in other policy reports of VEPR.

Abbreviations

BoJ	Bank of Japan
BoE	Bank of England
BSC	BIDV Securities Company
CNY	Chinese Yuan
ECB	European Central Bank
FDI	Foreign Direct Investment
FED	Federal Reserve
FIE	Foreign invested enterprises
FMCG	Fast Moving Consumption Goods
GDP	Gross Domestic Product
GSO	General Statistics Office
HSCB	Hong Kong Shanghai Commercial Bank
LHS	left hand side
IMF	International Monetary Fund
MOLISA	Ministry of Labor, Invalid and Social Affairs
MOIT	Ministry of Industry and Trade
mom	month-on-month
MPI	Ministry of Planning and Investment
OECD	Organization for Economic Co-operation and Development
PMI	Purchasing Manager Index
qoq	quarter-on-quarter
RHS	right hand side
SBV	State Bank of Viet Nam
UN	United Nations
USD	the United State dollar
VAMC	Viet Nam Asset Management Company
VCB	Viet Nam Bank of Foreign Trade
VND	Vietnamese currency
WB	World Bank
yoy	year-on-year
ytd	year-to-date

Disclosure appendix

Author's Certification

The following author who are primarily responsible for this report, certify that the opinion on the subject or issues and/or any other views or forecasts expressed herein accurately reflect their personal views and that no part of their compensation was, is or will be directly or indirectly related to the specific recommendations or views contained in this research report: Nguyễn Đức Thành, Phạm Thế Anh, Nguyễn Hoàng Hiệp (VEPR Macroeconomic Research Team).

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Additional disclosures

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CONTACT US

Viet Nam Institute for Economic and Policy Research
University of Economics and Business, Viet Nam National University, Ha Noi

Address:	Room 707, E4 Building 144 Xuan Thuy strt, Cau Giay dist Ha Noi, Viet Nam
Tel:	(84-24) 3 754 7506 - 704/714
Fax:	(84-24) 3 754 9921
Email:	info@vepr.org.vn
Website:	www.vepr.org.vn