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Top News

Viet Nam is poised to extend its position as one of Southeast Asia's fastest-growing economies

VinEnergo to study an US$ 8 billion wind power complex in Gia Lai province

Also in the issue

Vietnam retail faces near-term squeeze as long-term growth story holds

Vietnam's online beauty market is entering a more mature and value-driven phase

Ho Chi Minh City is emerging as a magnet for foreign capital in Southeast Asia

Vietnam's logistics real estate is emerging as a central driver of merger and acquisition activity

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Viet Nam is poised to extend its position as one of Southeast Asia's fastest-growing economies

Viet Nam is poised to extend its position as one of Southeast Asia's fastest-growing economies, underpinned by export resilience, supply-chain shifts and rising domestic demand. After expanding by 8% in 2025—the strongest performance among the Southeast Asia-6 group—the economy is forecast to grow around 6.3% in 2026, signaling sustained momentum despite emerging headwinds.

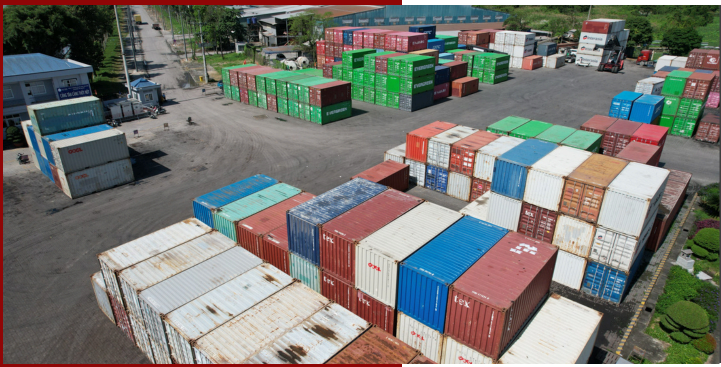
The country's growth continues to be anchored in its role as a manufacturing hub. Benefiting from the China+1 strategy, Viet Nam has attracted steady foreign investment into export-oriented industries, particularly electronics, reinforcing its place in regional and global trade networks. At the same time, domestic consumption remains robust, highlighting long-term potential in its expanding middle class.

Real estate trends mirror these structural shifts. Industrial property remains the backbone of investment activity, while logistics assets gain traction alongside manufacturing expansion. Notably, data centres have emerged as a high-value asset class across Southeast Asia. Although Viet Nam's market is still nascent, it is expected to see strong growth as demand rises for cloud computing, artificial intelligence and digital services.

Retail real estate is also set for a rebound, with sales projected to grow by more than 15% in 2026, driving demand in major urban centres.

While higher lending rates and slower population growth may weigh on near-term consumption, improving regional financial conditions and a $5 trillion consumption outlook by 2035 underscore Southeast Asia's enduring appeal as a global investment destination. VNS

Back to top



Vietnam's logistics real estate is emerging as a central driver of merger and acquisition activity

Vietnam's logistics real estate is emerging as a central driver of merger and acquisition (M&A) activity, with momentum expected to build toward the late third quarter of 2026, according to a report by Jones Lang LaSalle (JLL).

The firm estimates total M&A transactions in Vietnam's property market reached roughly $2.5 billion in 2025, signaling a recovery supported by improved legal processes and better coordination among stakeholders. Activity is projected to accelerate in August–September 2026, as investors regain confidence, complete due diligence, and push for year-end capital deployment.

Logistics assets, in particular, are drawing sustained investor interest. The sector is benefiting from three structural drivers: rising demand from e-commerce and distribution networks, escalating land costs in established industrial zones, and the need for higher operational standards including automation and ESG compliance. These factors are prompting a shift toward large-scale logistics facilities in satellite regions.

Infrastructure expansion is reinforcing this trend. In southern Vietnam, projects such as Long Thanh International Airport and major ring roads are enabling the development of integrated logistics hubs. In the north, enhanced interprovincial connectivity is strengthening supply chain linkages across key industrial corridors.

JLL notes that Vietnam's industrial property market is transitioning toward higher-quality supply, where professional management services and integrated ecosystems are becoming critical differentiators. Logistics is therefore expected to remain a core segment shaping M&A strategies through 2030, with industrial land rents forecast to rise by 5–6% annually.

However, regulatory inconsistencies remain a constraint. Diverging interpretations of policies across provinces, administrative delays, and gaps in the legal framework for M&A transactions continue to hinder deal execution. Streamlining approval processes and improving transparency will be essential to unlocking larger-scale investments.

With stable macroeconomic fundamentals, ongoing infrastructure upgrades, and resilient foreign direct investment inflows, logistics is poised to anchor Vietnam's next phase of industrial real estate consolidation. vneconomy

Back to top

Vietnam’s online beauty market is entering a more mature and value-driven phase

Vietnamese consumers spent nearly $3 billion on beauty and personal care products on e-commerce in 2025, marking a sharp rise of almost 30% year-on-year. The category has become the largest segment across major platforms such as TikTok Shop, Shopee, and Lazada.

Growth is no longer volume-led. While sales volumes in late 2025 rose modestly, revenue expanded much faster, indicating a shift toward higher-value purchases. Average selling prices climbed, reflecting consumers’ increasing willingness to pay for quality, particularly in skincare and personal care.

Official brand stores now account for nearly two-thirds of total revenue, underscoring rising trust in authentic, higher-quality products. This trend aligns with broader consumer upgrading, where brand equity and product efficacy outweigh price sensitivity.

At the same time, the number of active sellers has declined, pointing to a market consolidation. Smaller or less differentiated merchants are being squeezed out as platforms favor sellers with stronger operations, marketing capabilities, and brand investment.

Competition between platforms has tightened significantly. TikTok Shop has surged ahead, capturing roughly half of the market, driven by its content-commerce model that blends entertainment with purchasing. Shopee remains close behind, highlighting a duopoly dynamic, while Lazada lags with a marginal share.

From price wars to demand creation

The sector is transitioning from discount-led growth to demand generation. Success increasingly depends on the ability to shape consumer preferences through content, branding, and engagement rather than relying on promotions or search visibility alone.

This shift signals a new competitive phase in Vietnam’s e-commerce, where value creation—not just scale—will determine long-term winners. VIR

Back to top

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VinEnergo to study an US$ 8 billion wind power complex in Gia Lai province

Vietnam’s renewable energy ambitions are gaining scale as private conglomerates accelerate investments in large projects, with VinEnergo emerging as a key driver.

The company has signed a cooperation agreement with Gia Lai Province to study an $8 billion wind power complex, underscoring a shift toward mega-scale clean energy hubs. The project will be developed in two phases, starting with 2,000 MW and expanding to 3,000 MW, positioning it among the largest wind initiatives in Vietnam.

If realized, the complex would serve as a cornerstone for energy security in the Central Highlands while supporting local economic development. The initiative reflects a broader national push to diversify energy sources and reduce reliance on fossil fuels, aligning with Vietnam’s long-term decarbonization strategy.

For VinEnergo, the deal marks another step in building a vertically integrated renewable portfolio. The company is already active across wind and solar projects nationwide, including assets in Ha Tinh Province, Dien Bien Province, and Lai Chau Province. This domestic expansion provides a foundation for its global ambitions.

Indeed, VinEnergo is targeting 100 GW of renewable capacity within three years, focusing on markets such as North America, Northern Europe, and Southeast Asia. Early-stage agreements in Denmark, Sweden, and the Philippines signal growing international traction.

The Gia Lai project illustrates a defining trend: Vietnam’s energy transition is increasingly shaped by large private players deploying capital at scale, bridging domestic demand with global clean energy ambitions. VIR

Back to top

Vietnam retail faces near-term squeeze as long-term growth story holds

Vietnam's retail sector is entering a more testing phase in 2026–2027, as weakening consumer demand and macroeconomic pressures weigh on spending. A March 2026 report by MB Securities warns that non-essential categories—from electronics to home appliances—will bear the brunt of tightening household budgets.

Consumption has yet to fully recover from recent economic volatility, while the prospect of rising lending rates is expected to lift financing costs for both consumers and businesses. At the same time, persistent global logistics disruptions and geopolitical tensions continue to push up prices of essential goods, eroding real incomes. As a result, Vietnamese consumers are becoming more cautious, prioritizing necessities and delaying big-ticket purchases.

Consumer electronics is among the most exposed segments. Demand, closely tied to upgrade cycles and middle-class spending power, is likely to remain subdued. MBS also flags potential global component shortages, which could drive product prices up by 10–30%, adding further strain to retailers.

Still, larger players such as Mobile World Investment Corporation are expected to weather the downturn better, leveraging scale, supply chain resilience and supplier relationships. The company's electronics retail chains are projected to deliver a compound annual growth rate of around 12% through 2027, albeit with a more cautious expansion strategy focused on operational efficiency.

Longer term, the outlook remains intact. Vietnam's retail market, valued at roughly $163 billion in 2025, is projected to exceed $200 billion by 2030. With modern trade accounting for only about 15% of total sales, significant headroom remains—particularly in rural areas—while digital adoption and data-driven retailing are set to redefine competition. Thuonghieucongluan

Back to top

Ho Chi Minh City is emerging as a magnet for foreign capital in Southeast Asia

Ho Chi Minh City is emerging as a magnet for foreign capital in Southeast Asia, signaling renewed investor confidence despite an uncertain global backdrop.

Foreign direct investment (FDI) into Vietnam's commercial hub surged to nearly $2.9 billion in the first quarter of 2026, more than tripling from a year earlier. The sharp rise reflects a combination of policy execution and administrative reform, as authorities moved to clear bottlenecks that had long delayed project implementation.

City officials report that hundreds of stalled projects—many involving foreign investors—have now been unblocked, releasing over $6.6 billion in committed capital into the economy. This shift underscores a broader transition from passive facilitation to a more proactive, investor-oriented governance model.

Looking ahead, Ho Chi Minh City has set an ambitious target of $11 billion in FDI for 2026. The strategy marks a pivot toward quality over quantity, prioritizing high-tech, high-value-added, and environmentally sustainable sectors. Key focus areas include research and development hubs, data centers, strategic infrastructure, logistics, and eco-industrial zones—segments aligned with global supply chain restructuring and digital transformation trends.

Domestic demand continues to reinforce this momentum. Retail sales and consumer service revenues reached an estimated $19 billion in the first quarter, while tourism generated roughly $6 billion, highlighting the city's dual-engine growth model of external capital and internal consumption.

For investors, the story is increasingly one of execution. As reforms translate into tangible project flow and sectoral upgrading, Ho Chi Minh City is positioning itself not just as Vietnam's growth engine, but as a competitive destination for next-generation investment in Asia.

Back to top

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