



Top News

Vietnam set to enter emerging-market ranks, unlocking new capital flows

Vietnam deepens LNG supply chain as state energy groups lock in long-term fuel deals

Also in the issue

Retail sector of Vietnam is entering a period of cautious consumption

Shopee deepens local partnerships to accelerate Vietnam's SME digital shift

Vietnam moves to strengthen defenses against rising investment disputes

Private consortium eyes cross-provincial metro links to ease logistics bottlenecks around Ho Chi Minh City





Vietnam set to enter emerging-market ranks, unlocking new capital flows

Vietnam is poised to take a significant step toward deeper integration into global capital markets as FTSE Russell confirmed the country's upgrade from a frontier market to a secondary emerging market, effective September 21. The move is expected to unlock billions of dollars in foreign investment and strengthen the market's long-term liquidity profile.

The reclassification, first signaled in late 2025, will be implemented in four phases through September 2027. Vietnamese equities will gradually be added to major FTSE indices, starting with a 10% inclusion weight before rising in stages to full weighting by late 2027. The phased approach is designed to allow Vietnam's financial system to absorb inflows without destabilizing local markets.

Analysts estimate the upgrade could attract between \$6 billion and \$10 billion in foreign capital over time, driven by both active and passive funds. Passive investment flows alone are expected to arrive steadily over several quarters, mirroring patterns seen in markets such as Saudi Arabia following its 2019 market upgrade.

The decision reflects progress in improving market accessibility, particularly through reforms that allow foreign investors to trade via international brokerage firms without opening local accounts. These regulatory adjustments, introduced by Vietnam's Ministry of Finance, were seen as a critical step toward aligning the country with global investment standards.

Major Vietnamese companies, including Vietcombank, BIDV, Vingroup and Vinhomes, are expected to be among the key beneficiaries as they enter global benchmark indices.

Beyond immediate capital inflows, the upgrade signals Vietnam's growing maturity as an investment destination and positions the country closer to regional peers such as Indonesia and India that have already achieved emerging-market status. VNS



Private consortium eyes cross-provincial metro links to ease logistics bottlenecks around Ho Chi Minh City

A consortium led by Becamex IDC and Truong Hai Group (Thaco) is seeking approval from authorities in Ho Chi Minh City to study two urban railway lines designed to strengthen connectivity between former Binh Duong Province and the metropolitan core. The proposed projects reflect mounting pressure to upgrade transport capacity as industrial zones expand north of the city, intensifying daily commuter and freight movements along congested road corridors.

The first planned line would stretch about 32.4 km, linking the former Binh Duong New City to Suoi Tien Bus Station. Designed with 19 elevated stations and a top speed of 120km per hour, the line carries an estimated investment value of VND64.4 trillion (\$2.5 billion) including more than US\$ 0,3 billion allocated for land clearance.

A second route, measuring roughly 24.2 km, would connect Thu Dau Mot to Hiep Binh Station, integrating with the city's broader metro network. The project includes 14 elevated stations and a depot potentially shared with adjacent lines. Investment is projected at nearly US\$ 2,2 billion, with land acquisition accounting for about billion

Both lines are designed for operating speeds of up to 110km per hour, aligning with regional standards for suburban rapid transit.

From a logistics perspective, the projects signal a shift toward rail-based urban mobility to support industrial decentralization. The corridor linking former Binh Duong's manufacturing clusters to the Ho Chi Minh City urban core is increasingly seen as a critical supply-chain artery, particularly as container traffic and worker mobility strain existing highways.

The consortium has proposed funding feasibility studies at its own expense, with a three-month research period, underscoring growing private-sector appetite to participate in urban rail development as Vietnam accelerates metropolitan integration and logistics modernization. The Saigontimes

[Back to top](#)



Shopee deepens local partnerships to accelerate Vietnam's SME digital shift

Leading Southeast Asian platform Shopee is strengthening ties with Vietnamese local authorities in a new push to expand e-commerce adoption among small businesses, signaling a broader shift toward more structured digital trade development.

The partnership launches a series of long-term programs designed to help small and medium-sized enterprises (SMEs), cooperatives and household businesses transition into the digital economy, improve operational efficiency and widen market reach. The move reflects Vietnam's evolving e-commerce landscape, which is becoming increasingly competitive and professionalized.

Central to the strategy is the "Shopee Local Rise" initiative, which focuses on building digital capabilities for local sellers. The program supports enterprises in establishing standardized online storefronts and expanding distribution channels for regional specialties and One Commune One Product (OCOP) goods. By consolidating local products into centralized storefronts, the initiative aims to improve brand visibility and encourage nationwide digital consumption.

Another flagship effort, "Shopee Enables SMEs," developed in collaboration with the Vietnam E-commerce Association, is set to scale up in 2026. The expanded program will address a broader range of business needs, including support for sellers facing growth bottlenecks and initiatives linking students and young professionals to the e-commerce workforce.

As domestic capabilities strengthen, cross-border trade is emerging as the next growth frontier. Through the "Shopee EZ Exports – Vietnam Everywhere" program, Vietnamese sellers gain access to regional consumers across ASEAN markets. A dedicated "Vietnam Pavilion" on Shopee's international platform, expected to launch in the second quarter, will provide a centralized gateway to markets such as Malaysia, the Philippines and Thailand.

The initiatives highlight a broader industry trend: Vietnam's e-commerce sector is shifting from rapid expansion to capability building, with logistics readiness, digital skills and cross-border integration likely to define the next phase of growth.

[Back to top](#)



Vietnam deepens LNG supply chain as state energy groups lock in long-term fuel deals

Vietnam's state-owned energy giants are moving to secure long-term liquefied natural gas (LNG) supplies, underscoring the country's accelerating shift toward imported fuels as domestic gas reserves decline.

Vietnam Electricity Group, Vietnam Gas Corporation and Vietnam Oil and Gas Power Corporation signed a series of agreements to supply LNG to major gas-fired power projects, marking a critical step in building Vietnam's LNG-to-power ecosystem.

Under the agreements, PV GAS will supply regasified LNG from the Vung Ang LNG Terminal to the 3,000MW Quang Trach 2 and 3 power plants, scheduled to begin operations by April 2029. In parallel, PV GAS and PV Power expanded their LNG trading arrangements for the Nhon Trach 3 and 4 plants, two of Vietnam's first large-scale LNG-fired facilities.

The deals highlight LNG's growing role in Vietnam's power strategy as electricity demand rises and domestic gas output weakens. Power planners increasingly view LNG as a stabilizing fuel that can complement intermittent renewable sources such as wind and solar, while maintaining grid reliability.

Energy executives describe LNG not merely as a backup resource but as a foundational component of the future energy mix. The shift also reflects geopolitical uncertainties affecting fuel supply chains, prompting Vietnam to diversify energy sources and strengthen long-term procurement frameworks.

Taken together, the agreements signal Vietnam's transition from a domestically fueled gas system toward an import-dependent LNG model—one that will shape the country's power security, investment flows and renewable integration through the next decade.

VNS



Retail sector of Vietnam is entering a period of cautious consumption

Vietnam's retail sector is entering a period of cautious consumption even as the economy posts robust headline growth, highlighting a widening gap between macro momentum and household sentiment.

Speaking at the Retail Asia Summit Vietnam 2026, retail analysts noted that Vietnam's 8% GDP expansion has not translated into stronger retail demand. Unit sales of consumer technology and durable goods declined by 8.5%, while fast-moving consumer goods recorded a modest 1.1% drop in volume growth, reflecting tightening household budgets.

Consumer sentiment surveys show that 63% of Vietnamese shoppers plan to restrain spending, an increase from the previous year. Rising living costs—including food, healthcare, and fuel—along with concerns about global economic uncertainty are prompting households to prioritise savings over discretionary purchases. Large-ticket items such as housing, motorbikes and gold remain preferred savings targets, reinforcing a disciplined approach to spending.

Despite short-term caution, Vietnam's retail fundamentals remain strong. Urbanisation, rising disposable incomes and the continued expansion of modern retail formats are expected to sustain long-term sector growth. Traditional retail channels still dominate, accounting for roughly 81% of total activity, though their growth has slowed to around 1%, while supermarkets, mini-marts and convenience stores continue to expand their footprint.

Online retail is emerging as a key growth engine, with overall e-commerce sales rising by about 20% annually, supported by strong demand in categories such as mother-and-baby products.

Retailers are increasingly being pushed to shift from price-led competition to value-driven offerings. Industry leaders highlight the growing importance of data analytics and artificial intelligence to understand evolving consumer behaviour, optimise store networks and identify high-performing locations.

While short-term headwinds persist, Vietnam's consumer market is widely viewed as a long-term growth story, particularly as digital adoption and modern retail penetration continue to accelerate. Retail Asia

[Back to top](#)



Vietnam moves to strengthen defenses against rising investment disputes

Vietnam is stepping up institutional safeguards to manage a growing wave of international investment disputes, reflecting mounting concern over potential financial losses and reputational risks that could weaken investor confidence.

At a recent session of the National Assembly of Vietnam, lawmakers reviewed a draft resolution designed to improve coordination mechanisms and introduce targeted policies to prevent and resolve investor–state disputes more effectively. Authorities note that both the number and value of disputes have risen in recent years, underscoring the urgency of a more structured response.

The proposed framework, spanning five chapters and 20 articles, expands coordination beyond government ministries to include judicial bodies such as courts, prosecution agencies, and the State Audit. The approach aims to ensure seamless information sharing and reduce procedural conflicts—an issue often cited in complex international arbitration cases.

A key feature of the draft is the introduction of stronger incentives to attract legal and technical expertise. Officials directly involved in dispute handling may receive substantial allowances, while a new protection mechanism would shield responsible personnel from liability if they comply fully with regulations, even when adverse outcomes occur.

Lawmakers broadly support assigning the lead coordination role to the state’s foreign investment management authority in cases involving judicial entities, reinforcing independence and minimizing role conflicts. However, reviewers stress the need for binding obligations requiring agencies to share information promptly, alongside sanctions for non-compliance.

For investors, the move signals Vietnam’s intent to professionalize dispute management—an increasingly critical factor in sustaining a stable and credible investment climate. VNS



For more information, please contact us:

SEIKO IDEAS

Research & Consulting Division

- Our services Marketing Research
 Business Matching
 Investment Consulting
 Translation - Interpretation
 Training (Language & Soft skills)
- Our clients Think tanks, Universities
 Japanese & Vietnamese Government Organizations
 Manufacturers, Retail companies
 Advertisement agencies, Mass media
- Head Office Floor 5th – A Chau Building
 No.24 Linh Lang Str., Ngoc Ha Ward., Hanoi, Vietnam
- Rep. Office 〒220-0012, 8F Wework, Ocean Gate Building
 3-7-1 Minatomirai, Nishi ward, Yokohama
 Kanagawa, Japan
- Telephone +84-24-6275-5246 ; +84-24-6273-6989
- Fax +84-24-6273-6988
- URL www.seiko-ideas.com
- Email newsletter@seiko-ideas.com