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Vietnam's recent elevation to secondary emerging-market status marks an important step in opening the door to international capital

Vietnam's recent elevation to secondary emerging-market status marks an important step in opening the door to international capital, but the upgrade alone will not guarantee sustained inflows. The next test is whether Vietnam can improve the quality of listed companies, strengthen governance and increase transparency sufficiently to keep global investors engaged beyond passive index-driven allocations.

Initial estimates suggest the equity market could attract roughly $1.2 billion to $2 billion from passive funds following the FTSE Russell upgrade. Yet the larger opportunity may lie in fixed income. Securities industry experts estimate that Vietnam's bond market could potentially draw $10 billion to $20 billion of international capital if key structural barriers are addressed.

At the centre of this challenge is sovereign credit quality. Many global pension funds, insurers and fixed-income managers operate under strict rating requirements. A stronger sovereign rating could therefore have a multiplier effect, helping improve corporate ratings, reduce borrowing spreads and enable Vietnamese issuers to raise longer-term capital at lower cost.

This points to a broader shift in Vietnam's capital-market agenda. The priority is moving from market access to market depth. Equity-market reforms must be accompanied by better corporate governance, stronger disclosure standards and a more credible domestic credit-rating ecosystem.

If Vietnam succeeds, the benefit would extend well beyond stock-market inflows. A deeper bond market could diversify funding away from bank credit, improve capital allocation and gradually lower the economy's overall cost of capital. The FTSE upgrade is therefore better viewed as the start of a wider financial-market transformation rather than its endpoint.

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The southern Vietnam could evolve from a manufacturing gateway into a regional distribution hub

Vietnam's southern logistics map is entering a new phase. The Moc Bai–Ho Chi Minh City–Dong Nai–Cai Mep corridor is increasingly being shaped not simply as a transport route, but as an integrated supply-chain platform linking ASEAN trade, Vietnam's largest manufacturing base and deep-sea shipping.

Its strategic advantage lies in the combination of three gateways. Moc Bai provides direct access to Cambodia and mainland Southeast Asia. Ho Chi Minh City and Dong Nai form the country's most important industrial and consumption belt. At the eastern end, Cai Mep-Thi Vai connects those flows with long-haul maritime networks.

The planned Cai Mep Ha free trade zone could become the corridor's most important value-creation node. Rather than moving containers directly from factories to vessels, the model could support bonded warehousing, consolidation, light processing, distribution and other higher-value logistics services. That would allow Vietnam to capture more economic value from cargo passing through the region.

But infrastructure alone will not determine whether the corridor succeeds. The bigger challenge is orchestration. Border gates, highways, inland waterways, warehouses, industrial parks and ports must operate as one network, supported by integrated data, customs coordination and multimodal planning.

The key measure of success therefore should not be kilometres of roads or port capacity. It should be whether the corridor can reduce end-to-end logistics costs, improve schedule reliability, shorten customs dwell time and lower empty-container movements.

If achieved, southern Vietnam could evolve from a manufacturing gateway into a regional distribution hub. logistics.gov.vn

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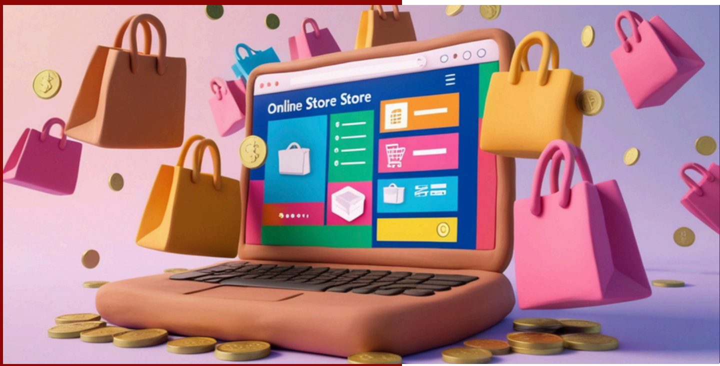

Vietnam's e-commerce moves beyond market place model

Vietnam's e-commerce market is entering a new phase in which the boundaries between marketplaces, social platforms and logistics networks are rapidly disappearing.

The first shift is the convergence of Shopee and TikTok Shop. TikTok is adding search and transaction capabilities to its content-led model, while Shopee is investing heavily in livestreaming, short video and AI-assisted selling. The result is a race to build closed-loop ecosystems that combine discovery, engagement and purchasing rather than competing only on price or traffic.

The second change is in logistics. Fast delivery, installation services and fulfillment for bulky products are becoming part of the customer proposition rather than back-end infrastructure. This is particularly important for categories such as electronics and home appliances, where offline retailers traditionally held an advantage. As service expectations rise, logistics capability will increasingly influence conversion, repeat purchases and platform loyalty.

The third trend is the professionalisation of the seller ecosystem. Creators are being trained in tax, consumer protection and affiliate rules, while small merchants and local producers are being brought into formal digital channels. At the same time, platforms face greater responsibility for seller verification, product information and transaction transparency.

Together, these shifts suggest that Vietnam's next phase of e-commerce growth will be less about adding users and more about building integrated commerce infrastructure. The winners will be those able to combine trusted sellers, content, payments, fulfillment and compliance into one operating model. Baolaodong/Bao cong thuong/VNS

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Vietnam's renewable transition would be measured by how much industrial value can be built around them

Vietnam's renewable energy push is entering a new phase. The question is no longer simply how many gigawatts of wind and solar can be added, but how much industrial value can be built around them.

The first shift is from project development to ecosystem creation. A renewable energy hub would link generation with ports, logistics, equipment manufacturing, engineering services, research and workforce training. That matters particularly for offshore wind, where much of the economic value sits outside electricity production itself.

Second, Vietnam does not need to replicate foreign models wholesale. Its strongest route may be to build on capabilities already developed in oil and gas, marine engineering, steel fabrication, shipbuilding and port services. International examples show that hubs can specialize: one region may focus on manufacturing, another on operations and maintenance, while others provide logistics, testing or training. This argues for a regional network rather than a race by provinces to build identical "mega hubs."

Third, industrialization will depend on market visibility. Local suppliers will invest only if they can see a sufficiently large and stable pipeline of projects. Grid capacity, ports, industrial land, transport links and skills must therefore advance alongside renewable generation.

The policy implication is clear. Vietnam's renewable transition should be measured not only by installed capacity, but by domestic value added, technology capability and quality employment. If policy remains predictable and infrastructure is coordinated, renewable energy hubs could become more than power clusters: they could anchor a new industrial economy built around Vietnam's energy transition domestically. Nangluongvietnam

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Central Group bet on Vietnam's next retail cycle

Central Group's plan to commit another $1.5 billion to Vietnam signals a broader shift in Southeast Asia's retail map: Vietnam is moving from an expansion market to a strategic growth engine for regional retailers.

The Thai conglomerate already derives roughly one-fifth of Central Retail's revenue from Vietnam, making the country its largest overseas market after Thailand. That scale changes the investment logic. Vietnam is no longer simply a destination for incremental store openings; it is becoming important enough to justify long-term commitments across retail, commercial property and hospitality.

The next phase of growth is also likely to be defined outside Hanoi and Ho Chi Minh City. Central is assessing a large pipeline of potential sites, reflecting the rising attractiveness of provincial cities where household incomes are increasing while modern retail remains less developed. For operators, these markets offer lower saturation but demand more disciplined localisation in format, assortment and pricing.

Competition is therefore shifting from individual stores to nationwide consumer ecosystems. Central's mix of supermarkets, shopping centres, sports retail and hospitality gives it multiple ways to capture consumer spending and build loyalty. Japanese rival AEON is pursuing a similarly aggressive expansion strategy, suggesting that Vietnam could become a key battleground for Asia's major retail groups.

The critical question is execution. Provincial expansion can deliver scale, but success will depend on location economics, supply-chain efficiency and the ability to tailor formats to local purchasing power. In Vietnam's next retail cycle, network quality may matter more than store count. VIR

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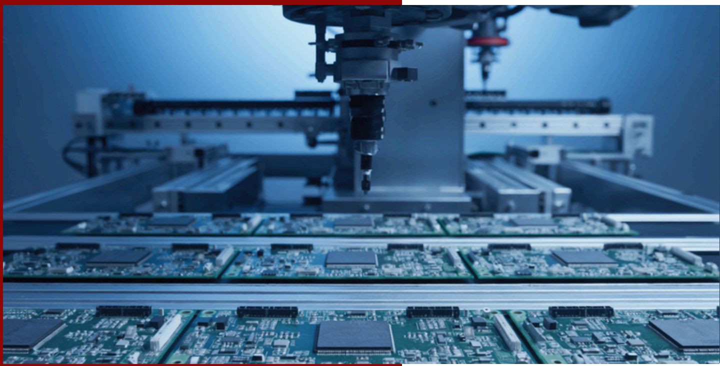

Vietnam aims to turn semiconductor FDI into domestic capability

Vietnam's semiconductor ambitions are entering a more demanding phase. Attracting foreign capital is no longer enough; the bigger challenge is to convert investment into technology, skills and local industrial capability.

Japan and Vietnam offer a relatively complementary fit. Japan remains strong in semiconductor materials, manufacturing equipment, precision engineering and quality control, while Vietnam has built a sizeable electronics manufacturing base and is expanding its engineering workforce. This creates an opportunity for Vietnam to become more deeply embedded in Japanese semiconductor supply chains, rather than remain primarily an assembly location.

Human capital will be central to that transition. Vietnam aims to train 50,000 university-educated semiconductor workers by 2030, but numbers alone will not determine competitiveness. Advanced laboratories, experienced faculty, industry-designed curricula and corporate internships are becoming as important to semiconductor investment as industrial parks, electricity and logistics. In this sector, talent is increasingly part of the investment infrastructure.

The more difficult task is ensuring that foreign investment produces domestic value. Technology transfer does not automatically follow capital inflows. Vietnamese companies will need to qualify as suppliers of components, materials, equipment and technical services, while universities and research institutes must build stronger links with industry.

The real measure of success, therefore, should not be the amount of semiconductor FDI Vietnam attracts. It should be how much of that investment is translated into local suppliers, engineering capability, research and higher-value production.

Vietnam's next semiconductor phase is about moving from hosting investment to participating in the value chain. VNS

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