SEIKO ideas
Success with you

VIETNAM BUSINESS REVIEW

Vol 43, 11 Nov 2026



Top News

Vietnam's six-month FX swap signals a shift in liquidity strategy

Vietnam's electricity industry faces a mounting challenge because of consumption growth

Also in the issue

A government programme approved with target to keep Vietnamese products above 80% in supermarkets

Artificial intelligence is emerging as a new gateway to Vietnamese online shoppers

Japan's semiconductor partnership could move Vietnam beyond chip assembly

Vietnam's $6.2 Billion highway push seeks to unlock remote trade corridors





Vietnam's six-month FX swap signals a shift in liquidity strategy

Vietnam's central bank is changing the duration of its support to lenders, a sign that managing funding costs has become as important as supplying cash.

The State Bank of Vietnam has offered a foreign-exchange swap facility capped at $2 billion and running for 182 days, substantially longer than previous interventions lasting only weeks. Participating banks exchange dollars for local currency now and reverse the trade in May 2027. The facility's size represents an upper limit, not evidence that the full amount has entered the system.

The longer horizon matters. Banks facing stronger credit demand can secure domestic-currency funding without repeatedly returning to overnight and short-dated markets. That could moderate wholesale borrowing rates and reduce incentives to raise deposit yields, easing financing conditions for businesses.

Yet this is targeted support, not unlimited monetary stimulus. Participation is restricted to lenders with qualifying longer-term foreign liabilities, while the currency exchange must be unwound at maturity. The difference between the spot and forward rates implies an annualized swap spread of about 2.51%, before each bank's own cost of obtaining dollars.

For investors, the policy offers a potential cushion for bank profitability and interest-rate-sensitive assets. But its impact rests on actual take-up, currency movements and the central bank's subsequent actions.

Vietnam is attempting a difficult balance: provide enough domestic liquidity to sustain lending while preserving exchange-rate credibility. The outcome will be measured in funding costs, rather than the headline size of the facility. The maturity date could also create renewed funding needs next spring. VNA/VNS

Back to top



Vietnam's $6.2 Billion highway push seeks to unlock remote trade corridors

Vietnam's latest highway push is shifting attention from the country's busiest industrial corridors to remote regions where poor road access has long constrained freight movement.

Lawmakers are reviewing three proposed expressways totaling about 430 kilometers and roughly $6.2 billion in investment. The routes would improve access to the northwestern highlands and establish a stronger east-west connection between the Central Highlands and coastal ports. Government estimates suggest journeys could become 50% to 60% shorter than on existing national roads.

The potential payoff extends beyond faster trucking. More dependable access could help agricultural exporters reach consolidation centers, enable manufacturers to serve inland markets and support cross-border trade. For logistics operators, however, new pavement will generate business only if warehouses, border procedures and distribution services develop alongside it.

Financing illustrates the challenge. Authorities have proposed funding all three schemes through public budgets after studies failed to establish a viable payback period for toll-road investors, even with substantial government support. Construction is scheduled to begin in 2027, with traffic opening targeted for 2031, subject to approval.

That timeline leaves risks around land acquisition, difficult terrain and project costs. It also raises a practical question for investors: whether industrial activity and reliable cargo volumes can emerge quickly enough to use the new links.

Vietnam's transport ambitions will ultimately be measured not by kilometers completed, but by the trade they make possible.

Back to top



Artificial intelligence is emerging as a new gateway to Vietnamese online shoppers

Vietnam's digital economy is on track to reach $49 billion in gross merchandise value in 2026, matching Malaysia for the fastest growth in Southeast Asia. Yet the bigger change may be how consumers find and choose what to buy, rather than the expansion of spending alone.

E-commerce is forecast to generate $32 billion this year, up 22%, and could approach $61 billion by 2030, according to Google, Temasek and Bain & Company. That trajectory gives international brands a growing consumer market, while drawing investment toward payment networks, delivery operations and merchant software.

Artificial intelligence is emerging as a new gateway to shoppers. The research indicates that 44% of consumer journeys among surveyed users begin with AI, while four in five express willingness to hand shopping tasks to digital agents. For sellers, visibility may increasingly depend on accurate product information and recommendations generated by algorithms, not only marketplace rankings or advertising budgets.

Vietnam also offers an unusually localised AI market. The report estimates 45 million generative AI users, with Vietnamese accounting for 80% of interactions. That creates room for shopping assistants, customer service systems and retail analytics built around local language and preferences.

Willingness to use agents, however, is not the same as completed purchases. Investors will be watching whether these tools improve conversion, lower acquisition costs and build trust without undermining margins. Vietnam's next digital commerce winners may be those that turn AI enthusiasm into repeat business. VNA/VNS

Back to top



Vietnam's electricity industry faces a mounting challenge because of consumption growth

Vietnam's electricity industry faces a mounting challenge as consumption growth threatens to outpace the infrastructure needed to support the country's industrial ambitions.

Power sales increased 9.84% in the first ten months of 2026, while northern electricity demand surged 17.5% year on year in June. The pressure highlights a growing concern for manufacturers: sufficient national generation capacity does not necessarily guarantee reliable supply in industrial centres.

State utility EVN plans to invest approximately $32.4 billion between 2026 and 2030, nearly 69% more than in the preceding five-year period. Its programme includes 15 generation projects totaling 6,066 MW and extensive transmission upgrades. Yet Vietnam's expansion depends heavily on private capital, with approximately 85,000 MW of additional capacity expected from developers outside EVN.

Energy storage is emerging as another investment priority. EVN's distribution subsidiaries had commissioned 140 MW of battery systems by September, while the utility is pursuing a broader 805 MW/1,610 MWh programme. Such investments could help manage peak demand and improve grid flexibility, particularly in northern industrial regions.

For international investors, the opportunities extend beyond conventional power generation to storage technology, grid engineering and digital energy management.

However, financing constraints, project approvals and transmission bottlenecks remain critical uncertainties.

Vietnam's ability to sustain rapid economic growth will increasingly depend not simply on how much electricity it produces, but on how effectively investment translates into reliable power delivery. Baodautu

Back to top



A government programme approved with target to keep Vietnamese products above 80% in supermarkets

Vietnam's supermarkets are becoming a testing ground for an industrial ambition: turning domestic manufacturing strength into consumer loyalty.

A government programme approved on October 29 seeks to keep Vietnamese products above 80% of offerings in supermarkets and shopping centres, and above 60% in traditional retail channels by 2030. It also envisages retail goods and consumer services reaching roughly $513 billion to $532 billion annually. These are policy targets, not guaranteed sales.

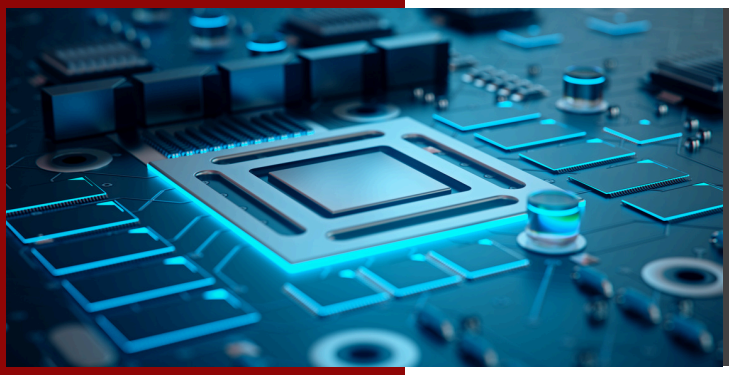
For retailers, the implications reach beyond displaying more locally made products. Chains that build dependable relationships with domestic suppliers could lower replenishment costs, develop exclusive merchandise and respond faster to local tastes. Smaller manufacturers, however, must still meet requirements for consistency, packaging and delivery.

The digital channel presents another opportunity. Hanoi wants online commerce to generate $93 billion to $97 billion in sales by 2030, supported by wider adoption among consumer goods producers. Marketplaces could help regional brands reach customers nationwide, but advertising expenses and fulfillment standards may squeeze weaker merchants.

The most consequential initiative may be less visible: common product identification and traceability systems. Reliable information about origin and quality could reduce counterfeit risks and help consumers distinguish credible local brands from opportunistic sellers. Implementing those systems will demand investment in data, inspections and supply chain coordination.

The commercial test is whether such measures make Vietnamese goods more attractive on price, quality and convenience. Retailers will have little incentive to expand domestic sourcing if consumers do not return. Policy can create shelf space; repeat purchases must be earned. VNS/VNA

Back to top



Japan's semiconductor partnership could move Vietnam beyond chip assembly

Vietnam is taking another step beyond electronics assembly as Japan backs six joint semiconductor research projects, a development that could help the country build expertise in technologies it has largely imported.

Japan's Science and Technology Agency selected the projects from 16 proposals in partnership with Vietnam's science ministry. Work is scheduled to run for 42 months, placing results on a timeline extending into 2030 rather than promising an immediate production boom.

The research agenda signals where future commercial opportunities may emerge. Projects examine energy-efficient AI chips, next-generation semiconductor materials, miniature sensors and technologies for power and healthcare applications. Such fields could eventually attract specialist engineering firms, testing services and intellectual-property investors, although commercial outcomes remain uncertain.

Talent is a second pillar. Japan and Vietnam are also seeking to develop about 250 doctoral-level semiconductor specialists. For manufacturers considering advanced operations in Vietnam, a deeper pool of researchers could reduce dependence on overseas technical teams and make local design partnerships more feasible.

The initiative is not equivalent to fresh factory investment. Public research funding supports scientific capability; private capital will follow only if prototypes become reliable products and companies can secure customers, protect intellectual property and scale production.

Investors should therefore watch for patent filings, industry-backed laboratories, technology licensing and start-ups emerging from university partnerships. These would offer more telling evidence of Vietnam's progress than the number of grants awarded.

For Hanoi, the strategic prize is a larger share of the knowledge and value behind the chips it helps produce. VIR

Back to top



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