



Opportunities between ASEAN and Vietnam

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—

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The Vietnam growth story

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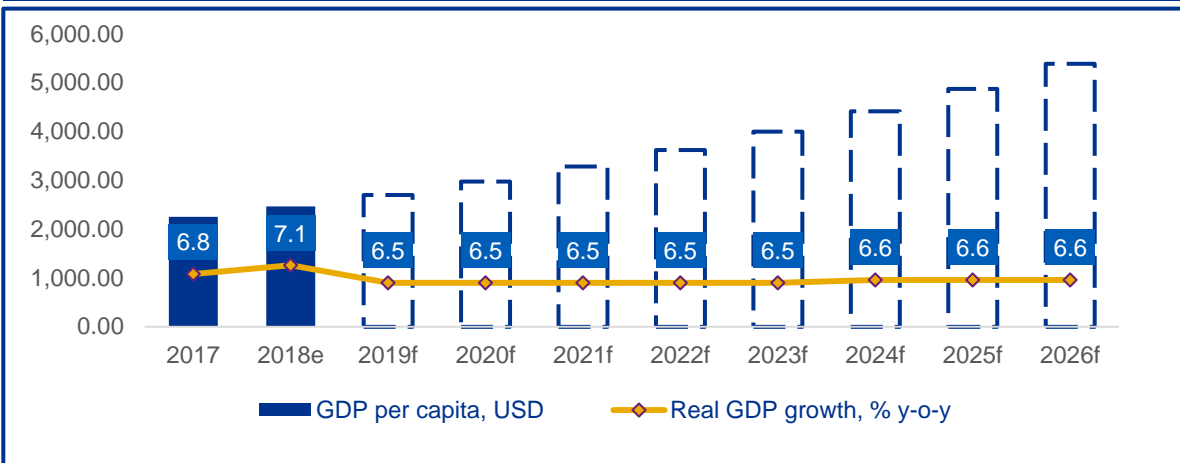
Megatrends in economic development

3






Q&A

Vietnam's positive economic outlook is driven by industrialization, rising FDI and trading in the context of deeper global integration

GDP per capita and Real GDP growth (2017-2026f)



GDP Growth 2018, by country

Vietnam		7.1%
Philippines		6.2%
Malaysia		4.7%
Indonesia		5.2%
Thailand		4.1%

Key drivers of growing FDI



Young working population



Rising personal income and growing middle class



Increasing global integration with 16 FTAs



Beneficial labor costs



20% standard CIT rate (ASEAN average: 22%)



Global Competitiveness Index

2014 – 2018 rank change (2018: 55 out of 137)

15 

More competitive than 6 EU countries

Since 2014 (>50 = positive)

Purchaser Manufacturing Index

>52

Source: Business Monitor International, World Bank



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Megatrends pushing the Vietnam economy forward

1 Urbanization and middle class consumption

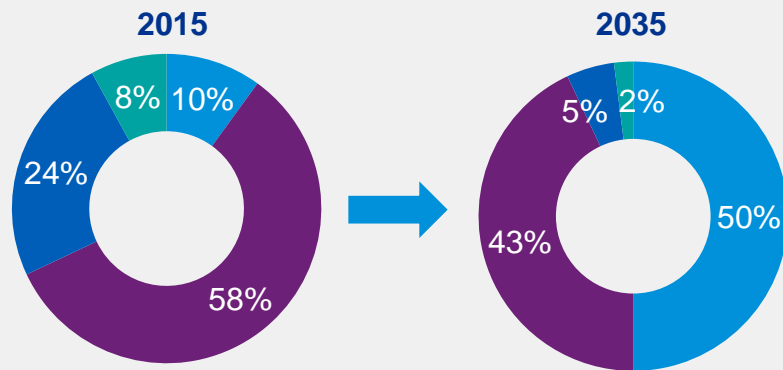


2 Trade and investment



1 Urbanization and middle class consumption

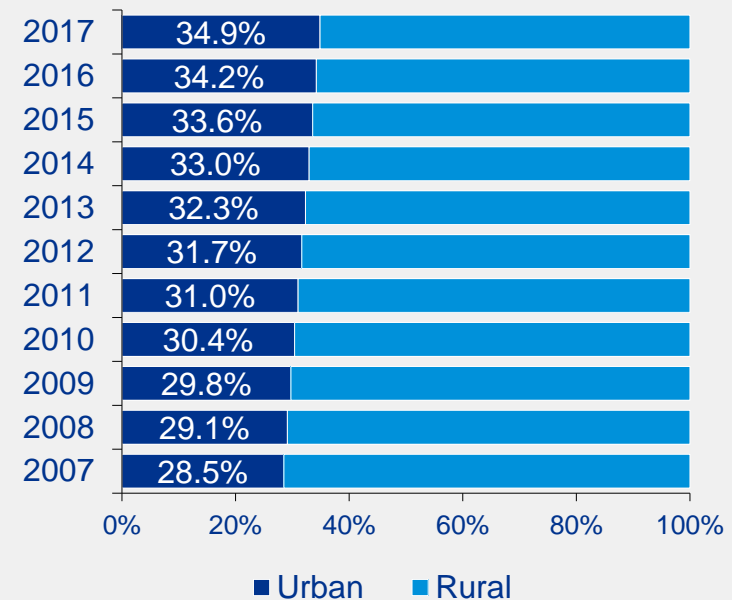
Middle class growth



- Global Middle Class (>\$15.00/day)
- Emerging Consumer (\$5.51-15.00/day)
- Near Poor (\$3.10-5.50/day)
- Global Poor (<\$3.10/day)

As disposable income increases, it is projected that by 2035 more than half the Vietnamese population will enter the global middle class (up from 10% today).

Vietnam's urban population is growing quickly



In 2035, at least 54 million of Vietnam's 108 million (50%) will be urban residents at current growth rates.

1 Urbanization

Urban population compound annual growth rate (2017-2022)



Indonesia

2.2%

Urbanization rate

55.1%

2017



58.5%

2022



Thailand

2.0%

Urbanization rate

52.6%

2017



57.6%

2022



Philippines

1.6%

44.3%

2017



44.5%

2022



Malaysia

2.0%

75.9%

2017



78.7%

2022



Vietnam

2.7%

34.9%

2017



38.1%

2022



Singapore

1.1%

100%

2017



100%

2022

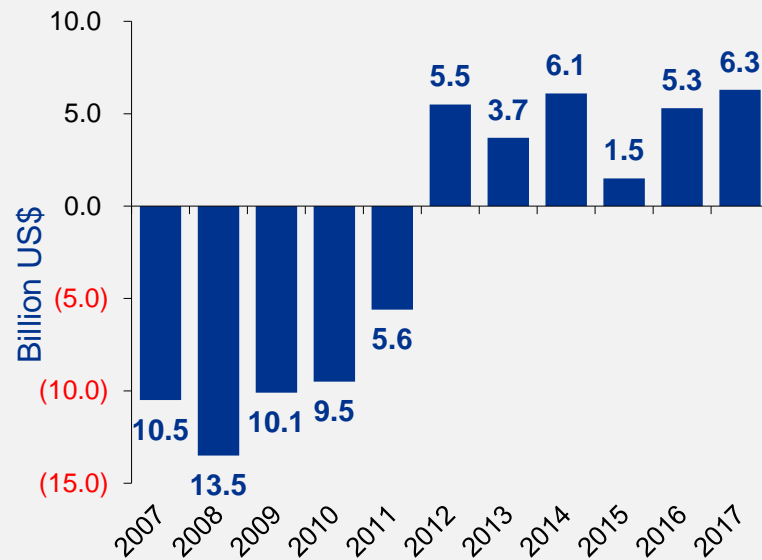
Source: BMI research



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2 Trading places

Trade balance development

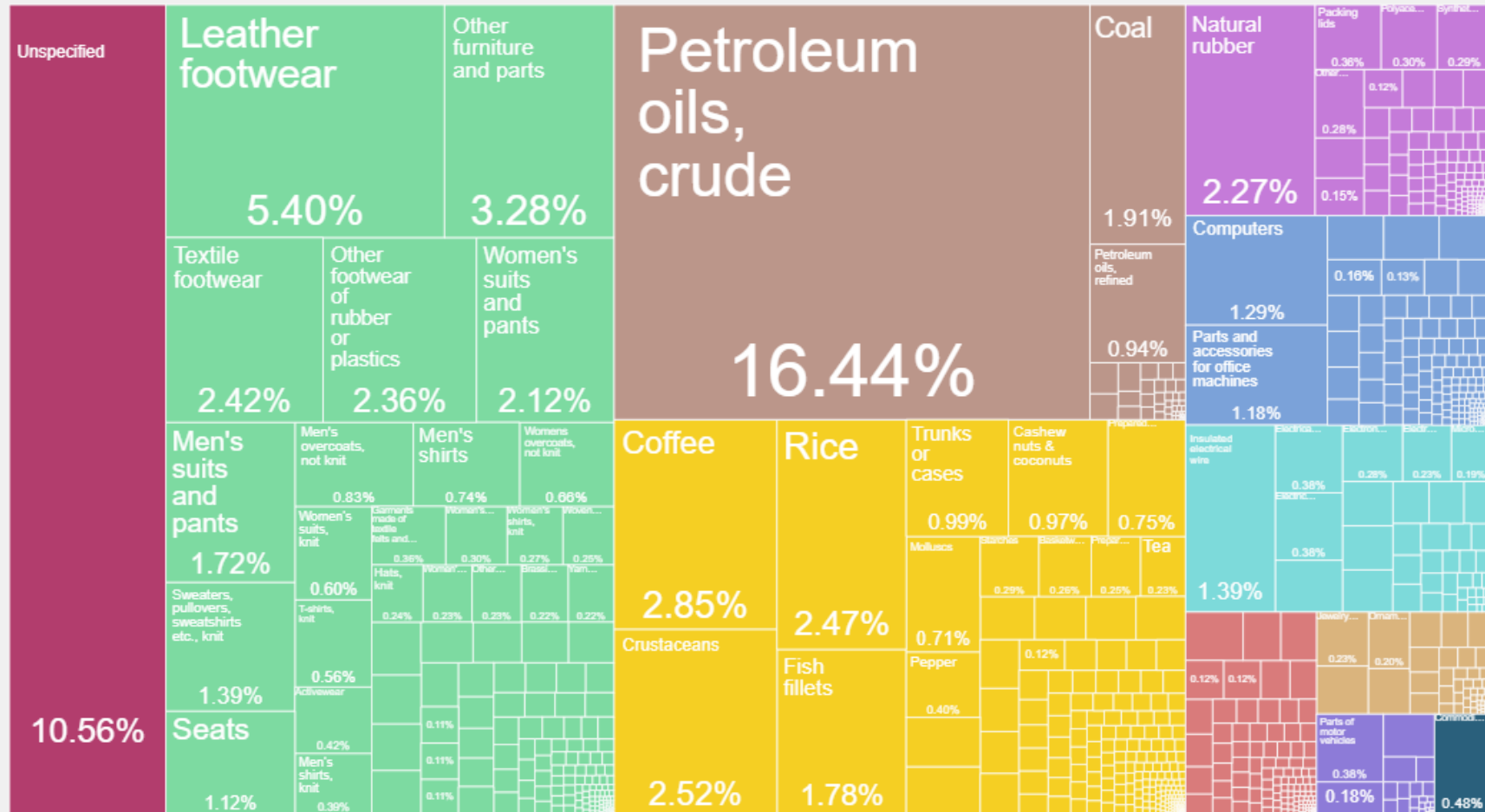


2007-2011	2012-2017
Net importer	Net exporter
Export 2007 to 2017	
US\$ 54.6b	
US\$ 227.4bn	
CAGR 15.3%	



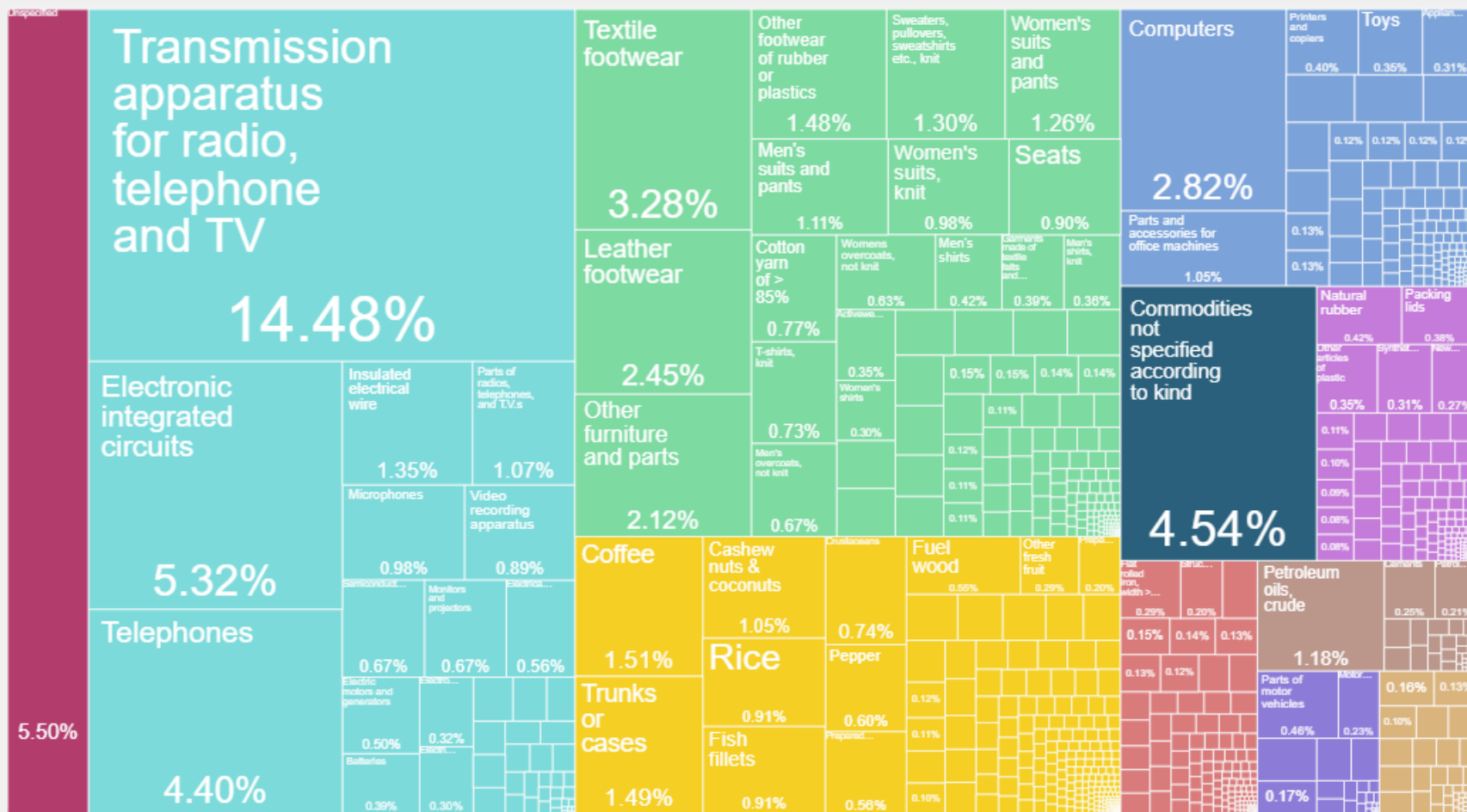
2 Export products – 2006 and 2016

2006



2 Export products – 2006 and 2016

2016



2 Energy, industrial manufacturing, textile/garment are top sectors attracting investment from selected countries.

Thailand



Rank in terms of registered capital: **4**
Total registered capital: **1.33 billion**

Top 3 industries invested in:




-  Industrial Manufacturing \$481 million
-  Energy & Natural Resources \$464 million
-  Real Estate & Construction \$181 million

Hong Kong



Rank in terms of registered capital: **6**
Total registered capital: **1.12 billion**

Top 3 industries invested in:

-  Textile & Garment \$588 million
-  Industrial Manufacturing \$262 million
-  Energy & Natural Resources \$146 million

Singapore



Rank in terms of registered capital: **3**
Total registered capital: **1.52 billion**

Top 3 industries invested in:




-  Energy & Natural Resources \$660 million
-  Real Estate & Construction \$247 million
-  Industrial Manufacturing \$160 million

Malaysia



Rank in terms of registered capital: **16**
Total registered capital: **106 million**

Top 3 industries invested in:

-  Industrial Manufacturing \$39 million
-  Agriculture \$35 million
-  Waste Management \$17 million



Thank you



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