

June 2026

SOCIO-ECONOMIC BULLETIN

 VIETNAM



Vietnam Economic & Social Indicators

June, 2026

Indicator	Jun-25	May-26	Jun-26	H1 2026
GDP Growth (% YoY)	7.96 (Q2 2025)	–	8.39 (Q2 2026)	8.18
Industrial Production				
Industrial Production Index (IIP, % YoY)	9.2	10.1	12.7	10.8
Purchasing Managers' Index (PMI)	48.9	52.8	51.8	–
Retail & Consumption				
Retail Sales of Goods (% YoY)	8.3	15.3	14.8	12.9
International Tourist Arrivals (% YoY)	17.1	16.5	14.7	14.9
Trade				
Exports (% YoY)	16.3	18	28.1	21
Trade Balance (USD bn)	2.83	-5.21	-2.64	-16.66
Investment				
FDI Disbursement (% YoY)	8.1	8.8	16.3	11.2
Public Investment Disbursement (% YoY)	19.8	10.2	10.6	12.7
Consumer Price Index (CPI, % YoY)	3.57	5.6	4.69	4.38
Money Market				
Central Exchange Rate (% MoM)	0.3	0.15	0.27	0.34
Average 1-Week Interbank Overnight Lending Rate (%)	6.53	6.48	6.47	6.49
Credit Growth (% YTD)	8.3	5.71	7.41	7.73



GDP Growth Remains Resilient, but Meeting the Full-Year Target Will Require Stronger Momentum

Vietnam's economy maintained **robust growth** in Q2 2026, with GDP expanding by **8.39% YoY**, bringing H1 2026 GDP growth to **8.18%**, a notable improvement compared with the same period last year.

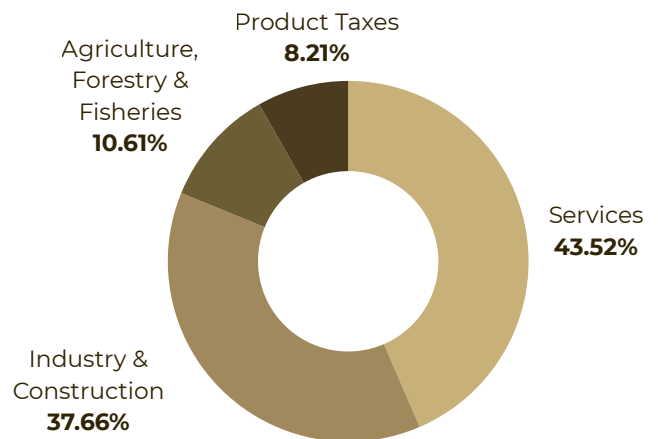
Growth momentum continued to be supported by the expansion of both the **industrial & construction** and **services** sectors. Manufacturing remained the key driver of export recovery and capital inflows, while domestic consumption and service activities also continued to improve.

However, achieving the 10% GDP growth target for 2026 under **Resolution No. 168/NQ-CP** will require significantly stronger economic momentum in the second half of the year. GDP growth would need to average approximately **11.9% YoY**, despite persistent uncertainties in the global economic environment.

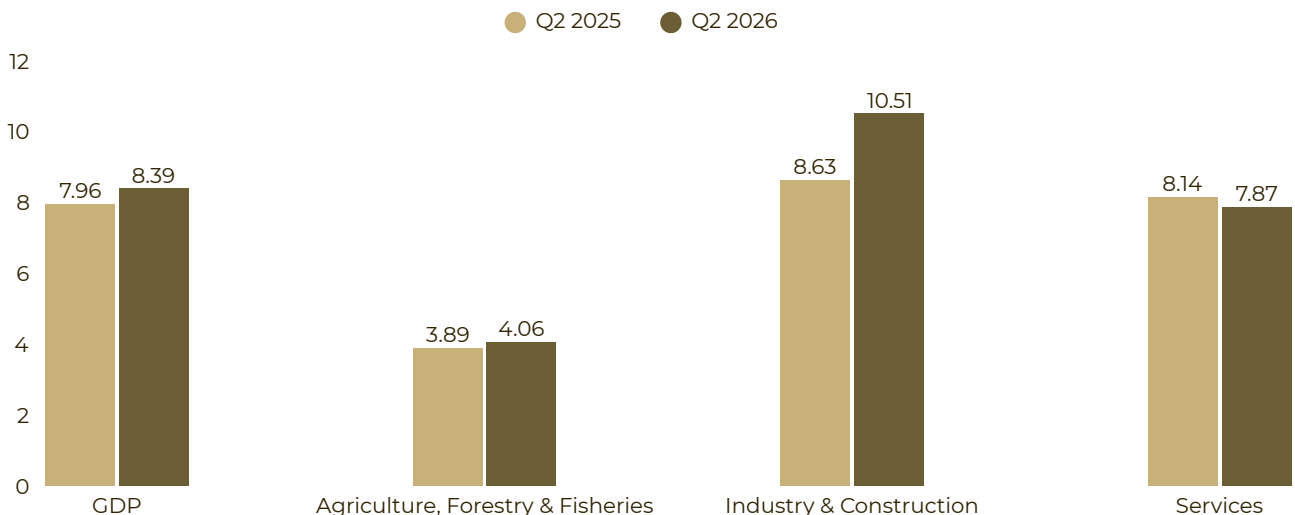


8.39%
YoY

GDP Composition – H1 2026



Q2 GDP Growth by Economic Sector (%)



Source: General Statistics Office (GSO), compiled by Virtus Prosperity

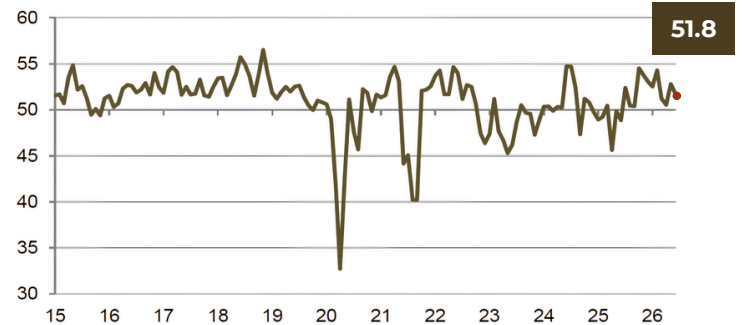


Behind Vietnam's GDP Growth, the Manufacturing Sector Remains the Economy's Primary Growth Engine

Despite a **moderation in the Manufacturing PMI** in June, **industrial activity continued to expand**. This suggests that production growth is supported not only by short-term demand but also by the ongoing recovery in export markets and sustained capital inflows into the manufacturing sector

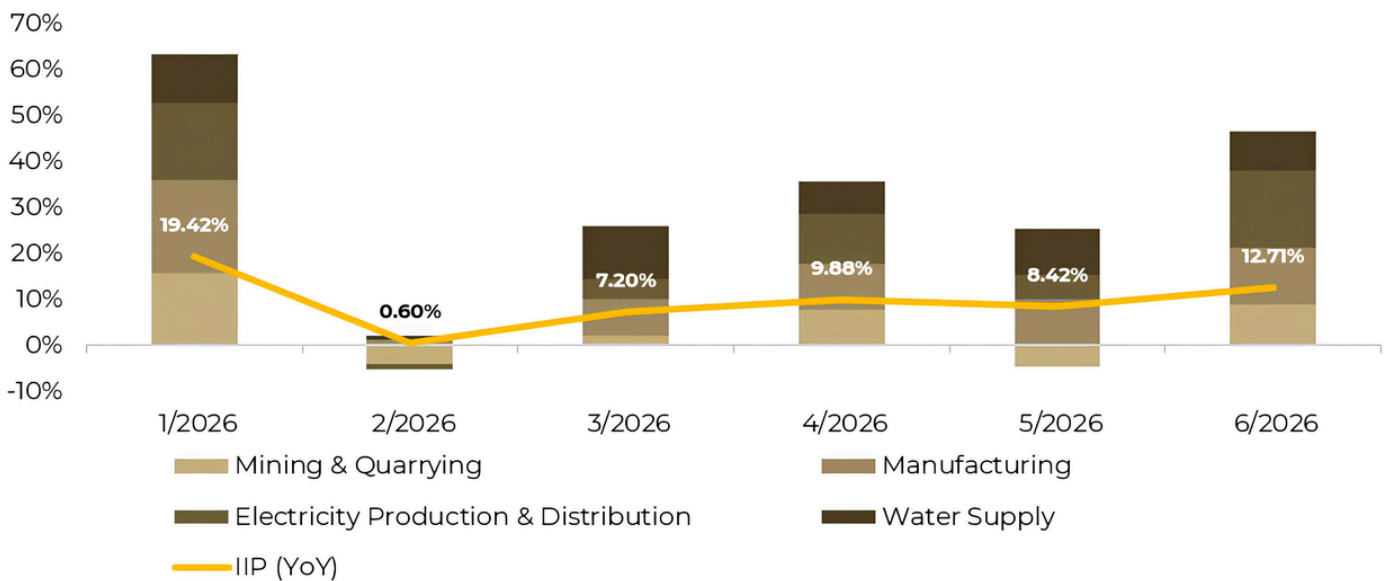
Another encouraging development is that manufacturing activity has improved as **input cost pressures continue to ease**. This provides greater confidence for businesses to expand production in the coming months, even as global supply chain uncertainties remain.

Vietnam Manufacturing PMI



Data compiled from June 11-26, 2026
Source: S&P Global

Vietnam Industrial Production Index (IIP) Growth (%)



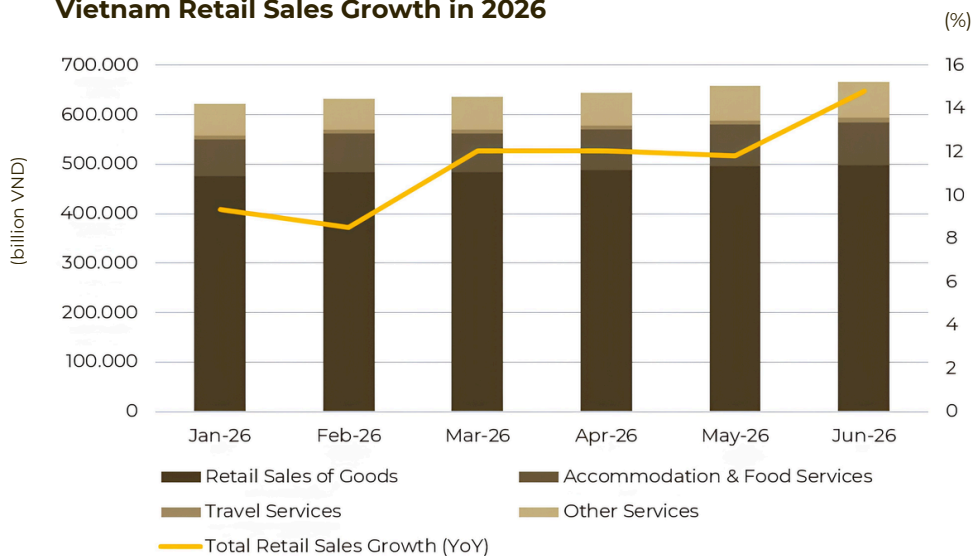
Source: General Statistics Office (GSO), compiled by Virtus Prosperity

With the **Industrial Production Index (IIP)** recording its **strongest growth since 2019**, the industrial sector is not only reflecting the economy's current resilience but also serving as a key leading indicator for Vietnam's growth outlook in the second half of 2026.



Domestic Consumption Accelerates as Purchasing Power Improves and International Tourist Arrivals Continue to Rise

Vietnam Retail Sales Growth in 2026



Total Retail Sales of Goods & Consumer Services

665.6

VND trillion



Increased

14.8%

(YoY)

Although nominal retail sales posted strong growth during the first half of 2026, real retail sales growth, after adjusting for inflation, was only **7.3%**. This suggests that **inflationary pressures remain elevated**, while improvements in household purchasing power have yet to fully keep pace with the increase in nominal consumer spending.

Alongside stronger domestic demand, international tourism continued to provide meaningful support for consumer-related industries. **China** remained Vietnam's largest source market during the peak summer travel season, driven by the recovery in outbound tourism and favorable travel policies. This contributed to higher spending on accommodation, food services, travel, and other consumer services, generating positive spillover effects across the retail sector.



International Tourist Arrivals

1.67

million visitors

Increased

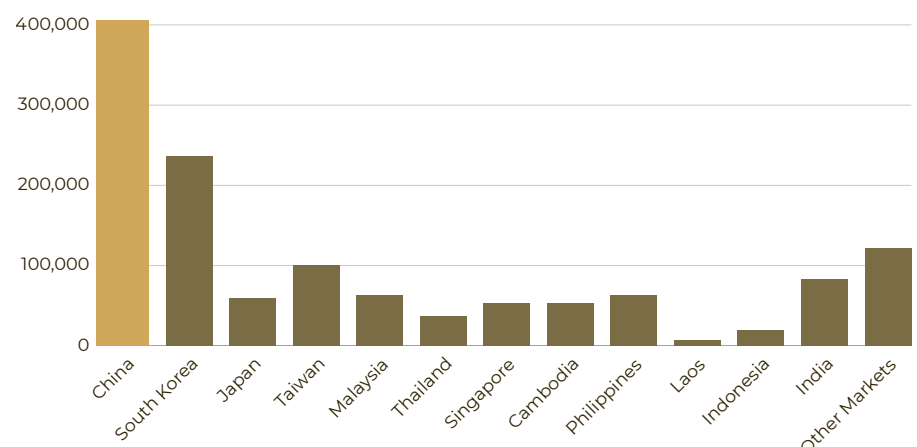
14.7%

(YoY)

International Tourist Arrivals from Asia to Vietnam

(June 2026)

Unit: Number of Visitors





A Trade Deficit in H1 Reflects Strong Demand for Production Inputs



TRADE BALANCE

Trade Deficit

2.64 USD billion

Of which:

Exports

50.79 USD billion

Imports

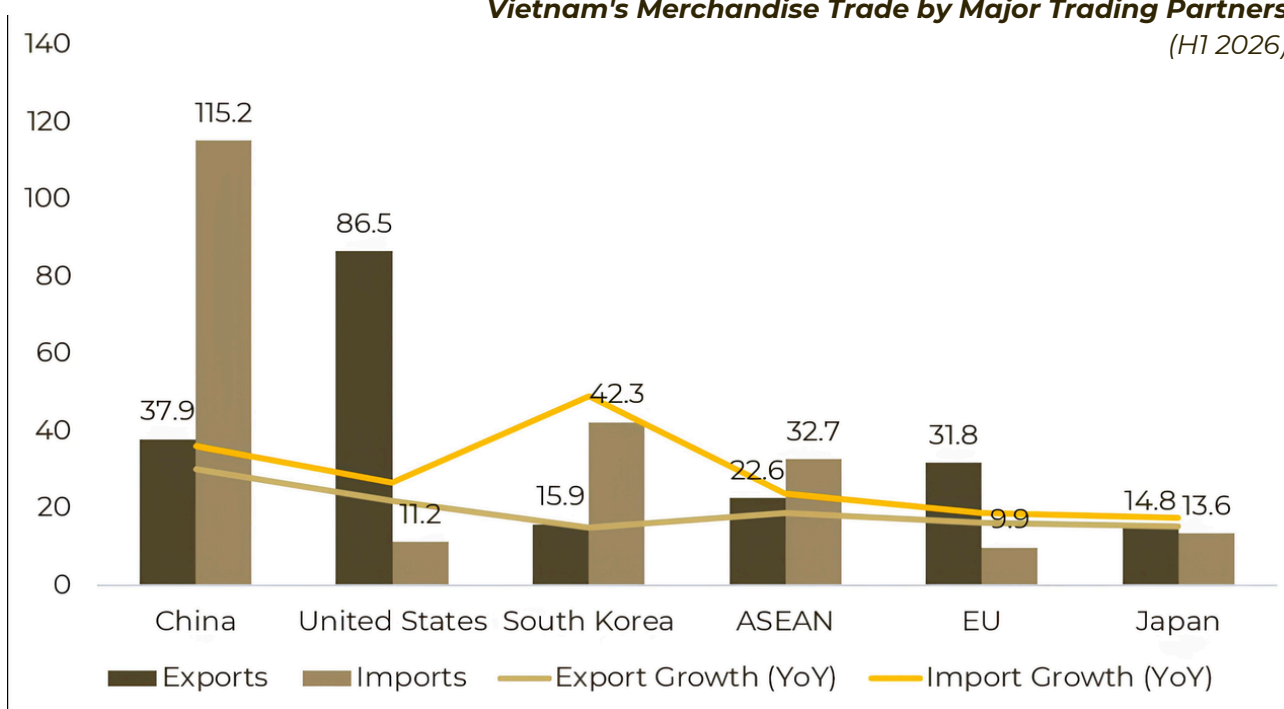
53.43 USD billion

The trade balance **shifted from a surplus to a deficit** during the first half of 2026. However, this development primarily reflects a **recovery in production activity and rising demand for manufacturing inputs**, rather than a deterioration in Vietnam's external trade position.

Merchandise exports continued to be driven by the **manufacturing sector**, which accounted for approximately **90%** of total export value. The **United States** remained Vietnam's largest export market.

On the import side, the composition of imports continued to signal a healthy outlook, with **production inputs accounting for 94.1% of total import value**, primarily consisting of machinery, equipment, and raw materials used in manufacturing. This suggests that businesses are increasing imports to expand production capacity and prepare for future export orders, providing a solid foundation for export growth in the coming quarters.

Vietnam's Merchandise Trade by Major Trading Partners
(H1 2026)



Source: General Statistics Office (GSO)



FDI Inflows Remain Strong, Reinforcing Vietnam's Position as an Attractive Investment Destination

NEWLY REGISTERED FDI

2,013

Newly Licensed Projects

▲ 1,3% YoY

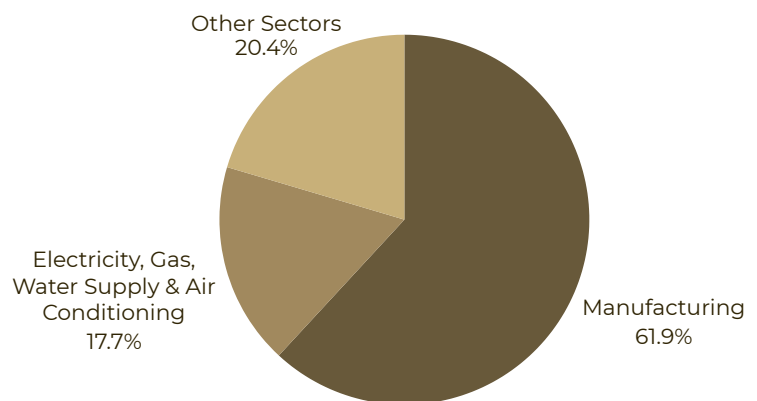
Total Newly Registered Capital

34.65

USD billion

▲ 61% YoY

Sectoral Breakdown of Newly Registered FDI (June 2026)

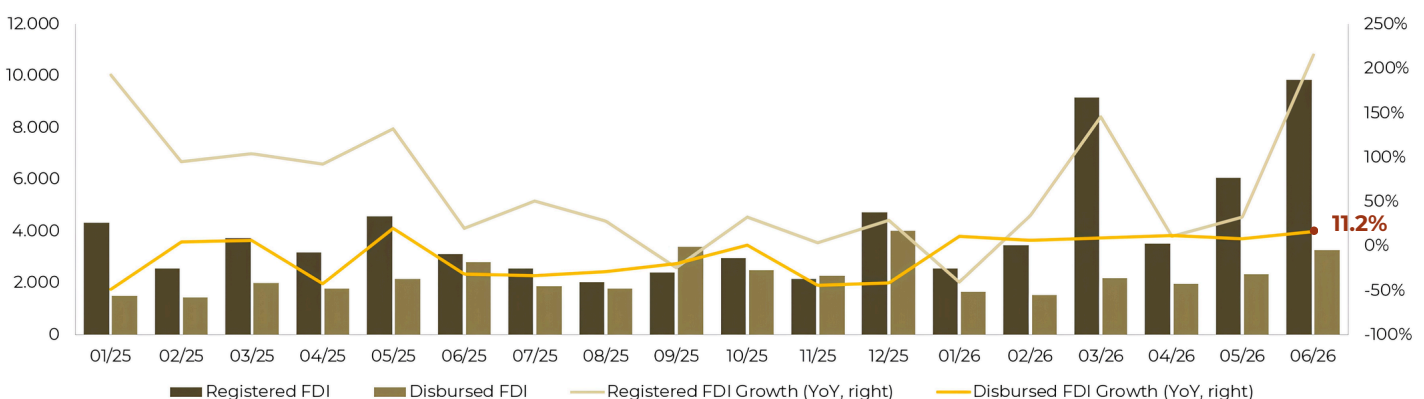


FDI inflows remained resilient during the first half of 2026, supported particularly by a strong increase in **capital contributions and share acquisitions**, which rose **89.5% YoY**. This reflects growing investor confidence in Vietnam's investment environment and an increasing trend toward mergers, acquisitions, and strategic equity investments.

The manufacturing sector continued to attract the largest share of newly registered investment, accounting for USD 17.91 billion. **Singapore** (USD 7.30 billion), **South Korea** (USD 5.45 billion), and **Japan** (USD 1.20 billion) remained the three largest sources of FDI, reaffirming Vietnam's role as a key manufacturing hub within global supply chains.

Looking ahead, the key challenge is not only attracting new investment but also **maintaining Vietnam's competitiveness** as an investment destination amid continued global economic uncertainty. This will require a stable macroeconomic environment, including appropriately managed interest rates, exchange rate stability, and policies that continue to strengthen investor confidence.

Registered and Disbursed FDI (USD million)



Source: FiinPro

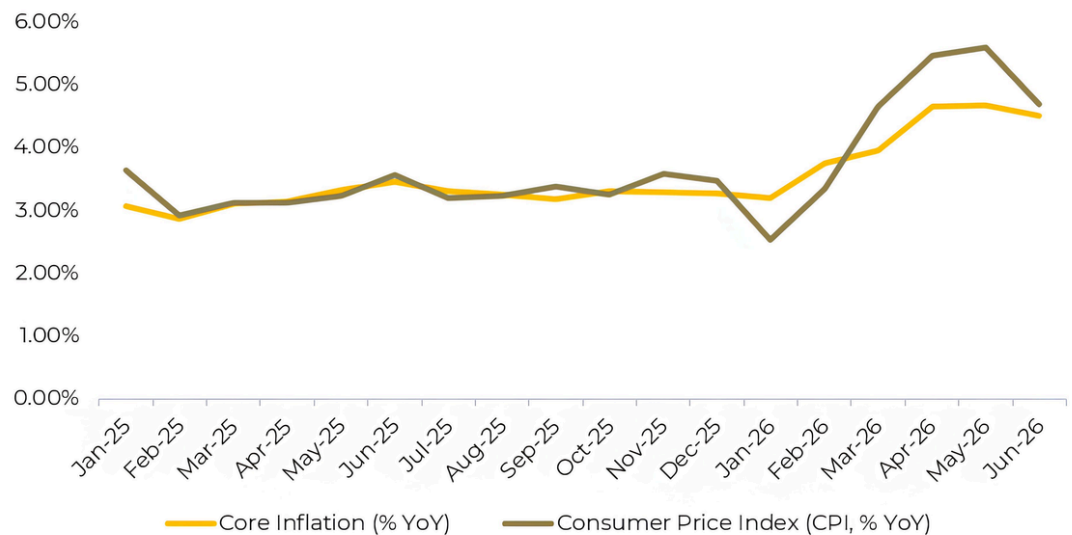
virtusprosperity.com



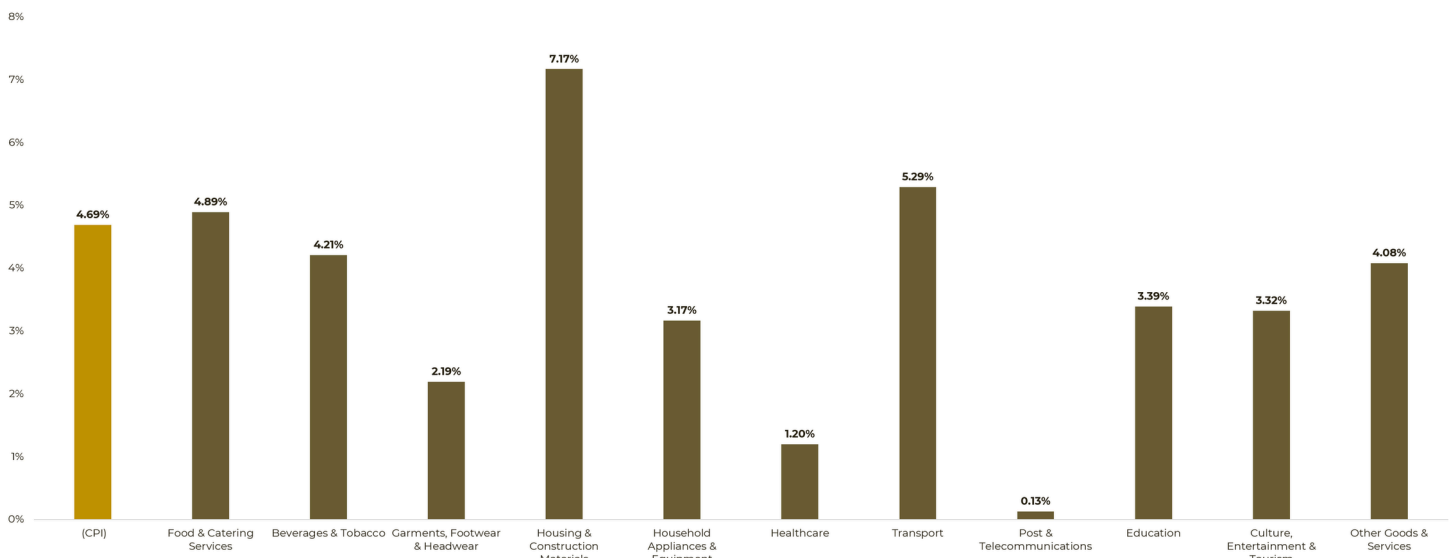
Inflation Remains Under Control amid Persistent Price Pressures

CPI

4.69%
(YoY)



CPI Components (YoY, June 2026)



Source: General Statistics Office (GSO)

Headline inflation **eased in June**, mainly due to lower domestic fuel prices following the decline in global energy prices. However, **core inflation remained above 4%**, indicating persistent underlying price pressures, particularly in housing, electricity, healthcare, and consumer services.

With average inflation in H1 remaining within the Government's target range, policymakers still have room to support economic growth. However, inflation risks warrant continued monitoring as domestic demand and public investment strengthen in the second half of the year.

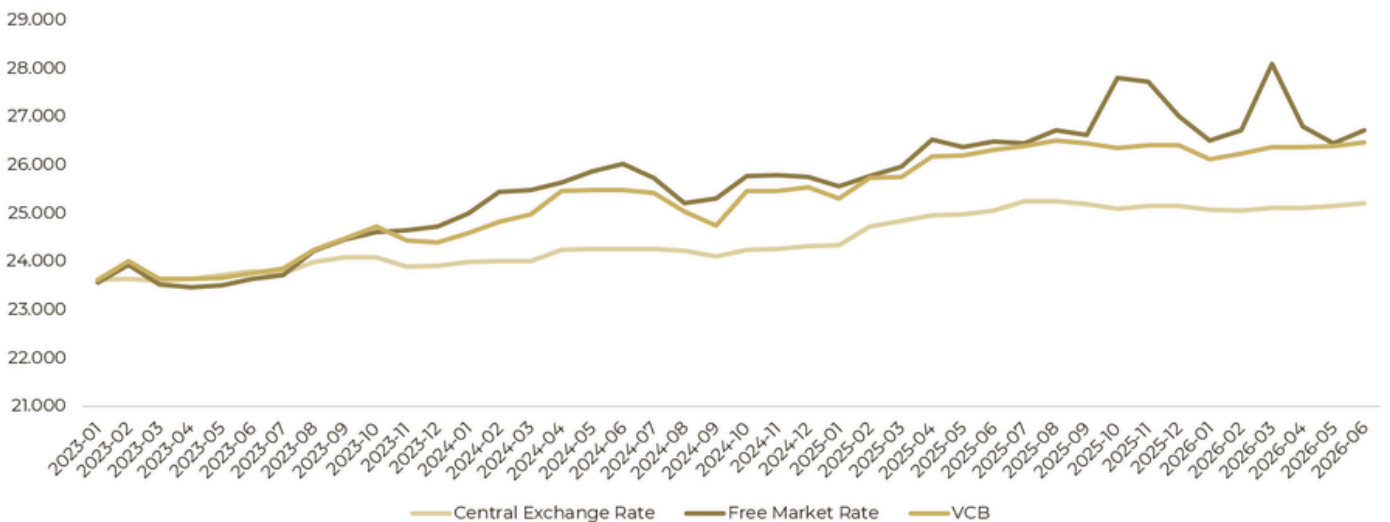


Monetary Policy Adjusts Flexibly to Liquidity and Exchange Rate Pressures

Average Interbank Interest Rates (%)



USD/VND Exchange Rate



Money market conditions in June reflected increasing liquidity pressures, as **credit growth continued to outpace deposit growth**, keeping interbank interest rates elevated compared with the beginning of the year, particularly at shorter maturities.

This development, however, primarily reflected the banking system's short-term funding needs rather than a shift in the State Bank of Vietnam's (SBV) monetary policy stance. Going forward, the SBV is expected to continue deploying a flexible mix of open market operations (OMO), foreign exchange swap operations, and adjustments to selected prudential regulations to support system liquidity, while maintaining interest rates at levels sufficient to preserve exchange rate stability amid ongoing external pressures.



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