Shinhan Securities

AI DRAFT · Key takeaways at a glance

Macro Brief — Vietnam's economy in July 2026

This report is a shorter, visualized summary of the Monthly Macro Update, built around four main themes — production and consumption, inflation, trade and investment, and monetary markets. Each section opens with the most notable figures, moves on to the charts behind them, and closes with a short explanation.

01	02	03	04
Production · Consumption	Inflation	Trade · Investment	Monetary · FX

01 Production & Consumption

Industrial production accelerated to 14.5% YoY in July, its 11.4% seven-month cumulative pace the strongest in several years. The PMI, retail sales and foreign arrivals all corroborated the strength.

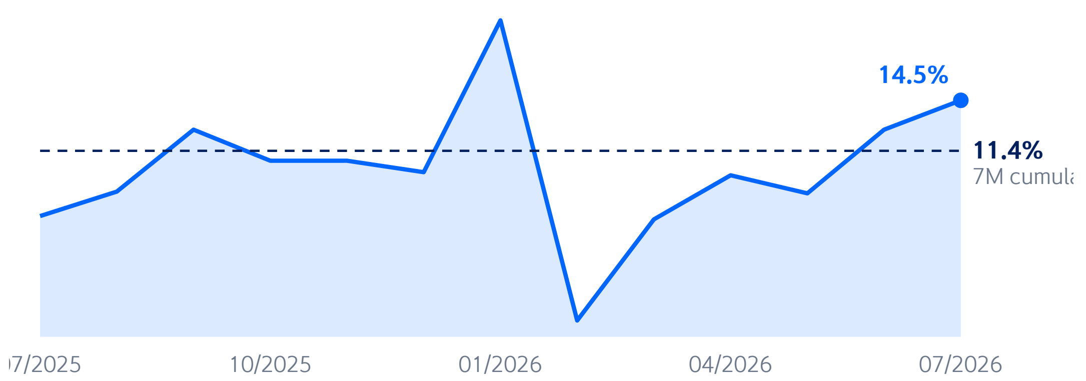
14.5%
Industrial production, YoY
7M2026 cumulative 11.4%; manufacturing led at 15.0%

52.9
PMI, July
Up from 51.8 in June; 13 consecutive months at or above 50

14.5%
Retail sales, YoY
0.9% MoM; a fractional slowdown from 14.8% in June

1.67mn
Foreign arrivals, July
7M2026 total 13.92mn, +13.8% YoY

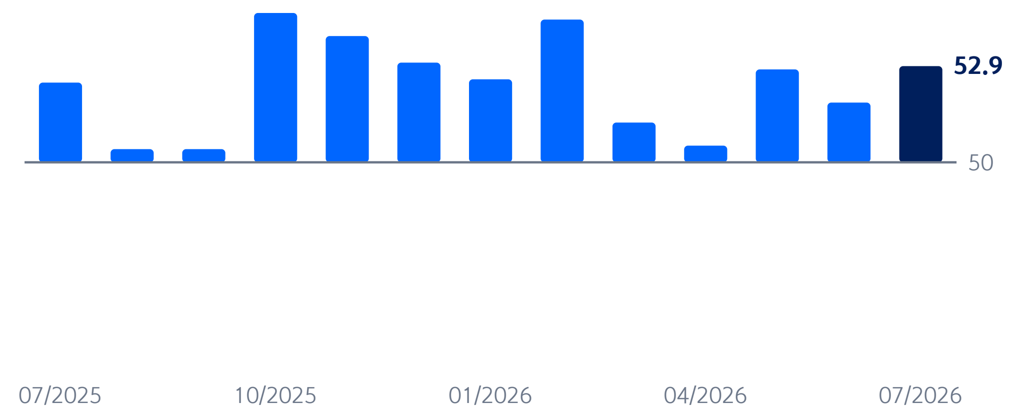
Industrial production, monthly YoY %



Thirteen monthly year-on-year rates. The dashed line is the 7M2026 cumulative rate of 11.4%; July sat above it.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

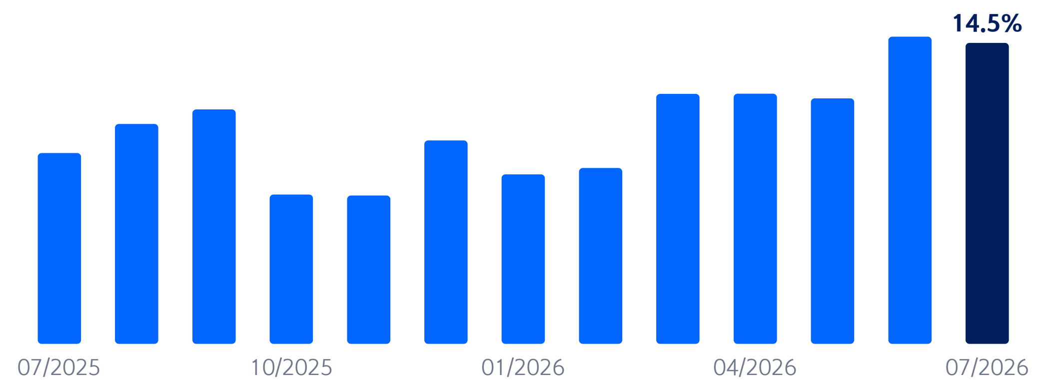
PMI, distance from the 50 expansion threshold



Bars show the distance from 50, the level separating expanding from contracting manufacturing activity. Every month shown sits at or above it.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

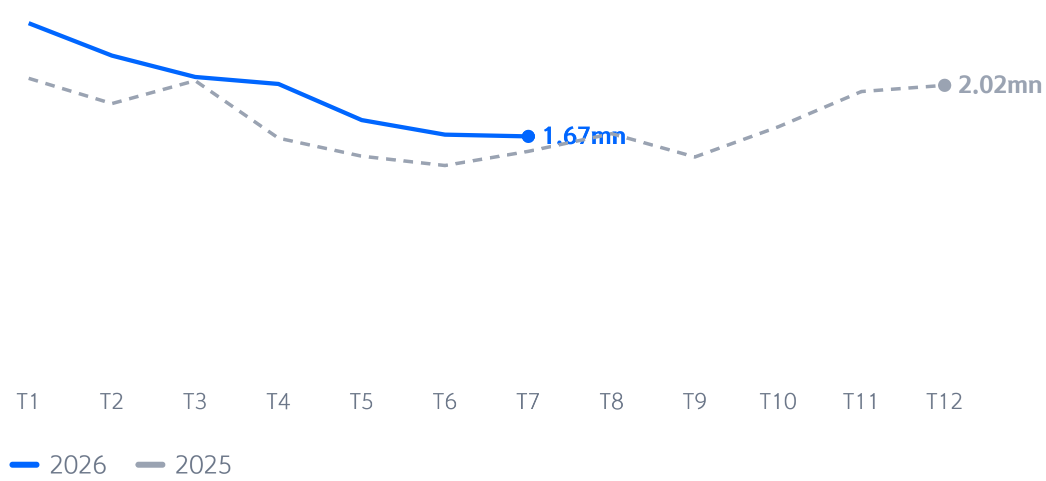
Retail sales, monthly YoY %



Year-on-year growth in total retail sales and consumer service revenue, thirteen months.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

Foreign arrivals, monthly, millions



Monthly foreign arrivals, 2025 against 2026. July's 1.67mn kept the year running +13.8% ahead of 2025 on a seven-month cumulative basis.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

12-month trend and change

Indicator	Shape	Latest	vs prior period	vs year earlier
Industrial production (YoY)		**14.47%**	+1.60pp	+7.07pp
PMI		**52.9**	+1.1	+0.5
Retail sales (YoY)		**14.48%**	-0.32pp	+5.28pp
Foreign arrivals, monthly (mn)		**1.67**	-0.01	+0.10

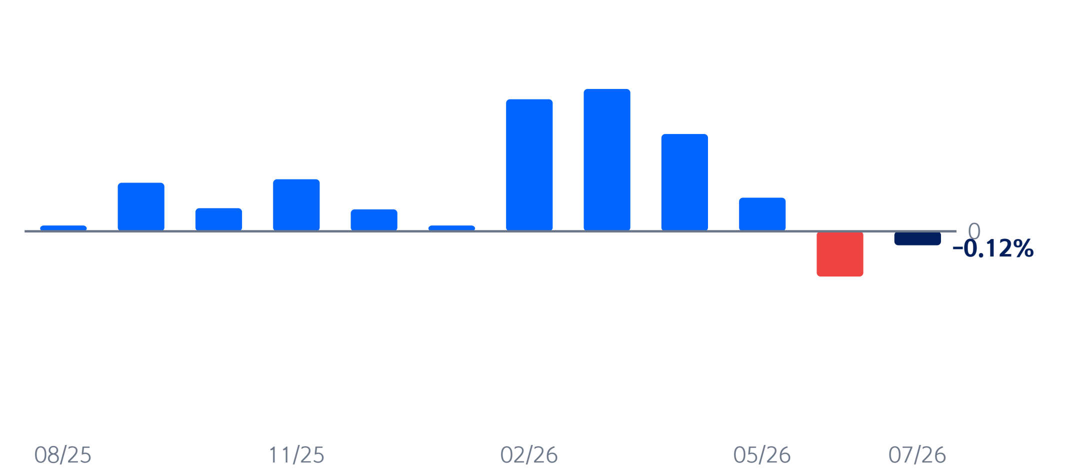
What this shows Industrial output rose 14.5% YoY in July (1.2% MoM), up from 12.7% in June and taking the seven-month cumulative rate to 11.4% — the strongest first-seven-months reading in several years. All four sub-sectors grew faster than a year earlier, led by manufacturing at 15.0%. The PMI, a monthly survey of purchasing managers in which readings above 50 indicate expanding activity, rose to 52.9 from 51.8 and has now held at or above 50 for 13 consecutive months, with firms adding staff for the first time in five months. Consumption held up alongside production: retail sales grew 14.5% YoY, a fractional slowdown from June's 14.8%, while foreign arrivals of 1.67mn in July lifted the seven-month total to 13.92mn, +13.8% ahead of last year.

02 Inflation

Headline CPI eased to 4.45% YoY in July from 4.69%, while core inflation slipped only marginally — the first time this year core has sat above headline.

-0.12% **Headline CPI, MoM** YoY 4.45%, down from 4.69% in June and a 2026 peak of 5.60% in May	**4.63%** **Core CPI, YoY** 0.18pp above headline — the first such inversion in 2026	**0.35pp** **Transport contribution, pp** Down from 0.51pp in June and a 1.28pp peak in April	**4.39%** **CPI, 7M2026 average** Core averaged 4.19% over the same seven months

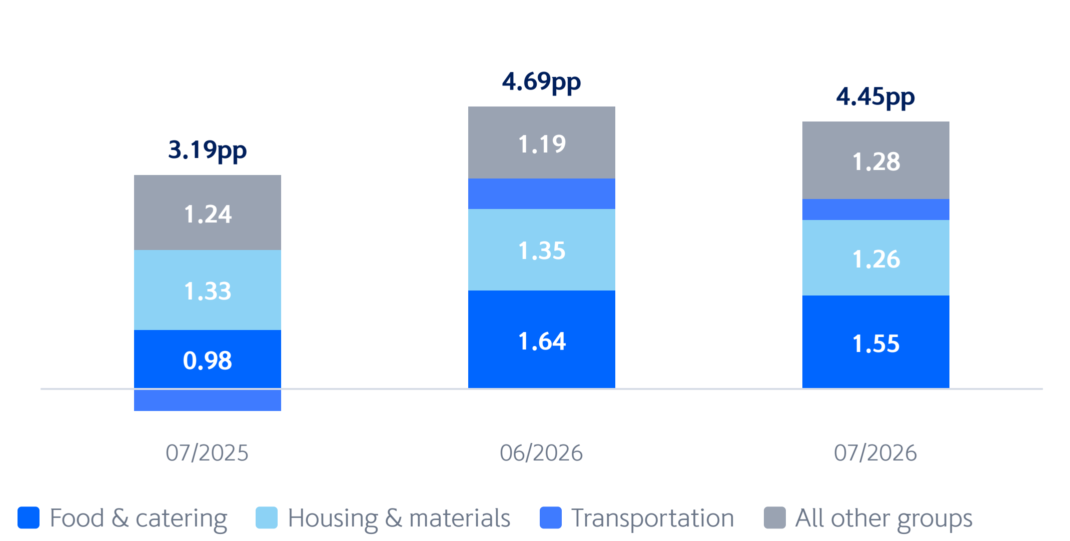
Headline CPI, monthly change %



Monthly change in the headline index, so bars below the line are outright price declines. July is the second consecutive negative month.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

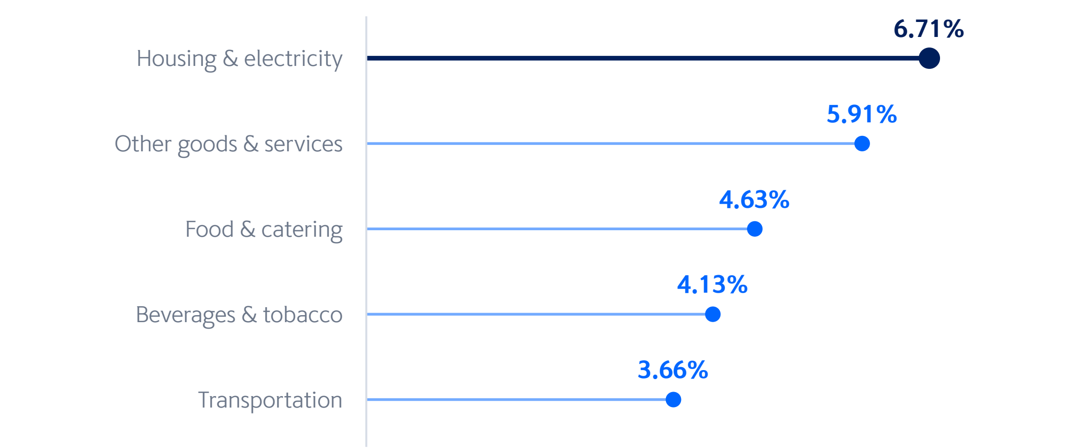
What makes up the headline rate, pp



Each column sums to the headline year-on-year rate shown above it. Transportation is what shrank between June and July, from 0.51pp to 0.35pp; it peaked at 1.28pp in April.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

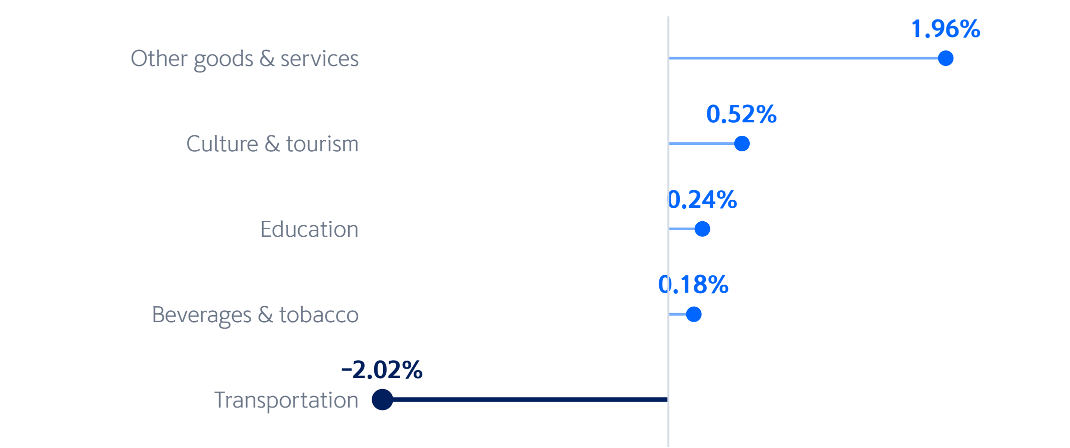
Five largest annual increases by CPI group, July 2026 %



The five largest annual increases of the 11 CPI groups.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

Five largest monthly moves by CPI group, July 2026 %



The five largest monthly moves, by size in either direction — not the five largest increases, which would exclude the month's defining moves.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

12-month trend and change

Indicator	Shape	Latest	vs prior period	vs year earlier
Headline CPI (MoM)		**-0.12%**	+0.27pp	-0.23pp
Headline CPI (YoY)		**4.45%**	-0.24pp	+1.26pp

What this shows Headline CPI eased to 4.45% YoY in July from 4.69% in June and a 2026 peak of 5.60% in May, while core inflation slipped only marginally, to 4.63% from 4.69% — so core now sits 0.18pp above headline, the first such inversion so far this year. Over 7M2026, CPI averaged 4.39% against a core average of 4.19%. The deceleration traces almost entirely to transport, whose contribution to the headline rate fell to 0.35pp from 0.51pp and a 1.28pp peak in April as world oil prices eased; food and catering also contributed less (1.55pp against 1.64pp). On a monthly basis CPI fell -0.12%, a second consecutive decline, as gasoline (-4.35%) and cooking gas (-11.41%) offset a 7.90% jump in the compulsory health-insurance contribution that lifted the "other goods and services" group 1.96% MoM.

Caveat That monthly decline masks a sharp turn within the month itself: WTI crude rose 23.95% in July, from USD 69.98/bbl to USD 86.79/bbl per barrel, after Iran's renewed strikes on vessels in the Strait of Hormuz from 7 July. Domestic E10 RON95 pump prices only began rising from 16 July and gained a smaller 7.78% over the month, reflecting Vietnam's weekly price-adjustment cycle and the fuel price-stabilisation fund.

03

Trade & Investment

The monthly trade deficit widened to -USD 3.59bn as import growth kept outrunning exports. Both forms of investment ran well ahead of last year.

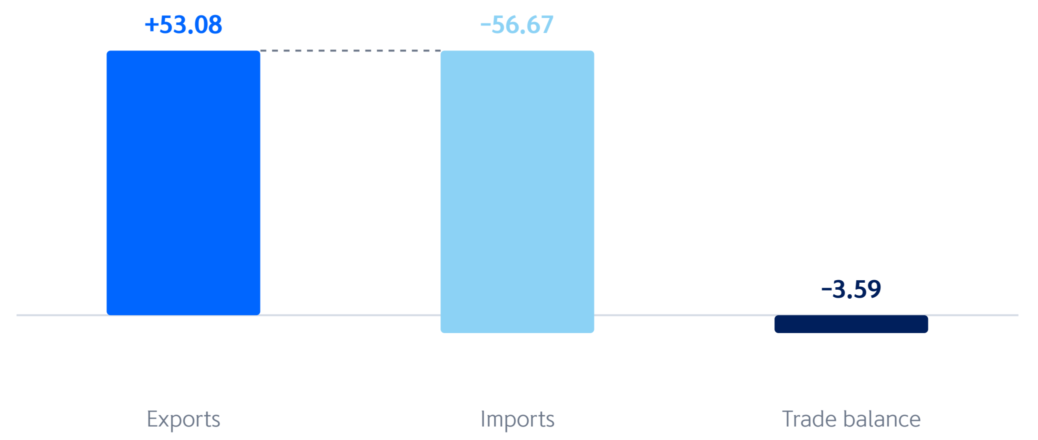
-USD 3.59bn
Trade balance, July
Exports USD 53.08bn (+25.0% YoY), imports USD 56.67bn (+41.4%)

-USD 20.52bn
Trade balance, 7M2026
Against a USD 10.35bn surplus in 7M2025

USD 38.06bn
FDI (reg./adj./M&A), 7M2026
+58.0% YoY; disbursed USD 15.20bn, strongest 7M figure in 5 years

VND 445.5tn
Public investment, 7M2026
+18.4% YoY; 39.0% of the annual plan

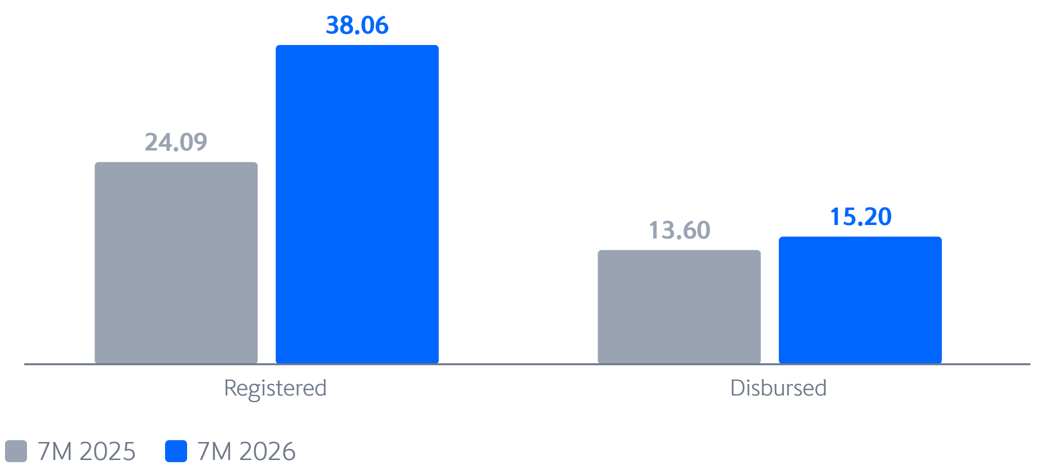
How July's trade balance arises, USD bn



Read left to right: USD 53.08bn of goods left the country in July and USD 56.67bn came in, leaving a deficit of -USD 3.59bn.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

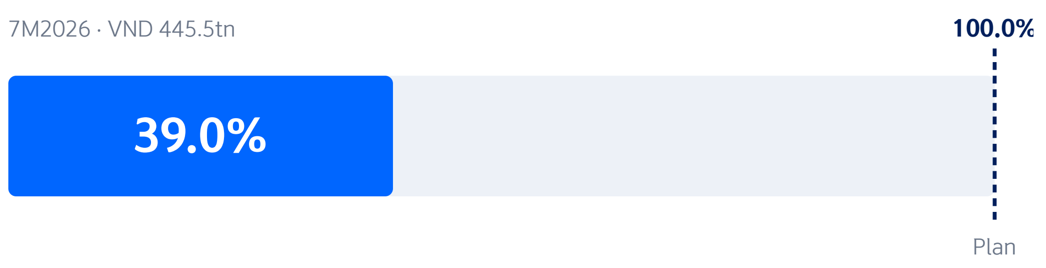
Cumulative FDI at 7M2026, USD bn



Seven-month cumulative totals for each year, side by side. Registered is capital formally committed; disbursed is capital actually deployed. Both rose against 2025.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

Public investment, 7M2026 vs the annual plan

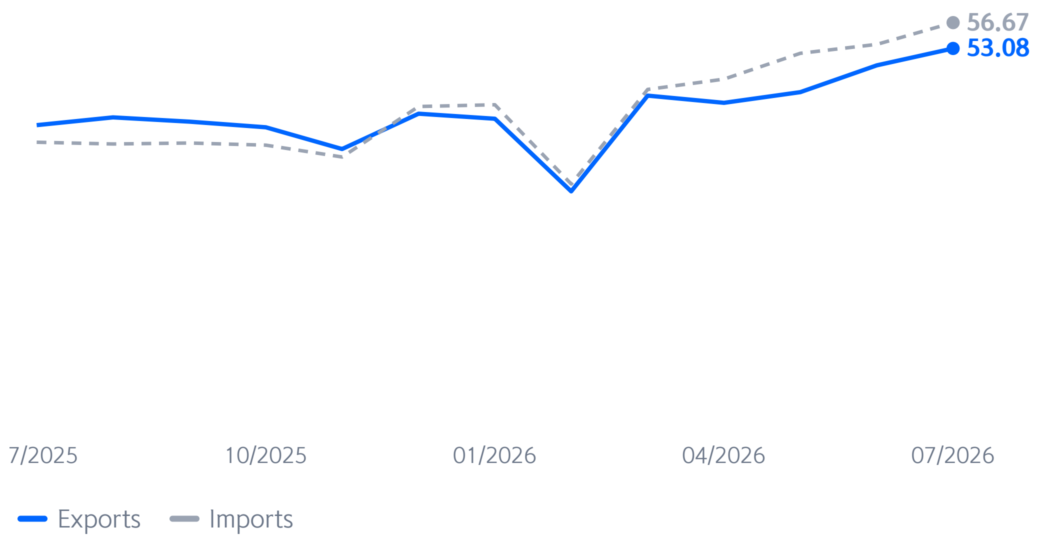


VND 445.5tn disbursed of the full-year plan, +18.4% YoY

39.0% of the full-year plan has been disbursed through 7M2026 (VND 445.5tn of the total plan).

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

Exports and imports, monthly, USD bn



Monthly exports and imports, thirteen months. The two flows move together, characteristic of a processing and re-export economy.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

12-month trend and change

Indicator	Shape	Latest	vs prior period	vs year earlier
Exports (USD bn)		53.08	+2.36	+10.68
Imports (USD bn)		56.67	+3.02	+16.63
Trade balance (USD bn)		-3.59	-0.66	-5.95
Public investment (VND tn)		98.6	+13.4	+21.0

What this shows Imports (USD 56.67bn, +41.4% YoY) outpaced exports (USD 53.08bn, +25.0%) by -USD 3.59bn in July, extending Vietnam's run of monthly deficits and pushing the 7M2026 cumulative position to -USD 20.52bn — a sharp reversal from the USD 10.35bn surplus recorded in 7M2025 — as import growth (+34.8% YoY) has outrun export growth (+21.7%) all year. Investment provided an offsetting signal: public disbursement reached VND 98.59tn in July (+25.9% YoY), taking 7M2026 to VND 445.5tn (39.0% of plan, +18.4% YoY), while newly registered, adjusted and M&A FDI combined reached USD 38.06bn over 7M2026 (+58.0% YoY), and disbursed FDI of USD 15.20bn was the strongest seven-month figure in five years.

04 Monetary Market & FX

The dong held essentially flat against the US dollar year-to-date while short-end rates swung sharply within the month. Credit continues to expand faster than the deposit base on the latest available data.

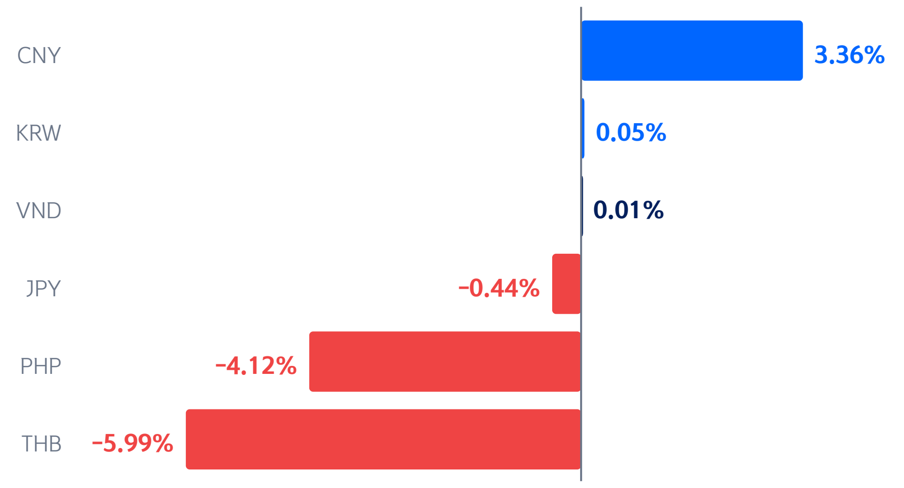
+0.01%
VND vs USD, 2026 YTD
CNY +3.36%, THB -5.99%, PHP -4.12% over the same period

5.72%
Overnight interbank, month-end
Swung from 5.95% to a low of 0.75% within the month

7.73%
Credit growth, YTD (latest: June)
July not yet published; up from 5.96% in May

2.73%
Deposit growth, YTD (latest: April)
5.00pp behind June's credit growth; 4.50% at the same point in 2025

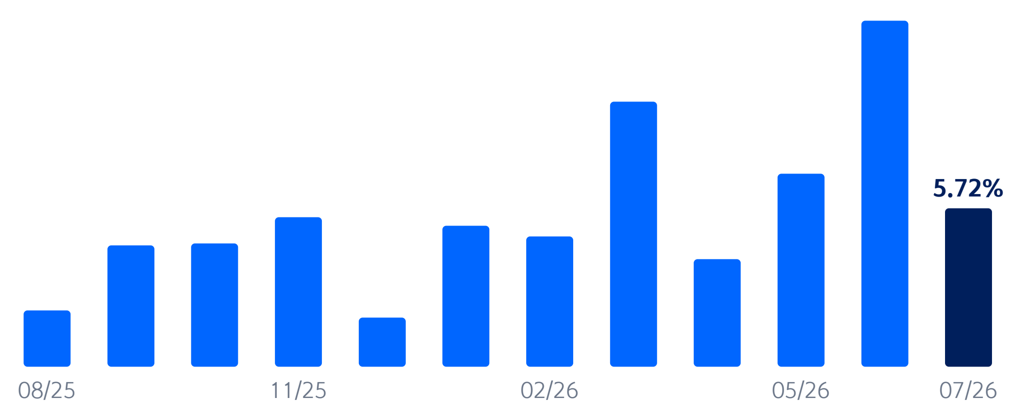
Regional currencies vs USD, 2026 YTD %



Year-to-date change against the US dollar. The dong was closest to unchanged; only the yuan appreciated more than fractionally.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

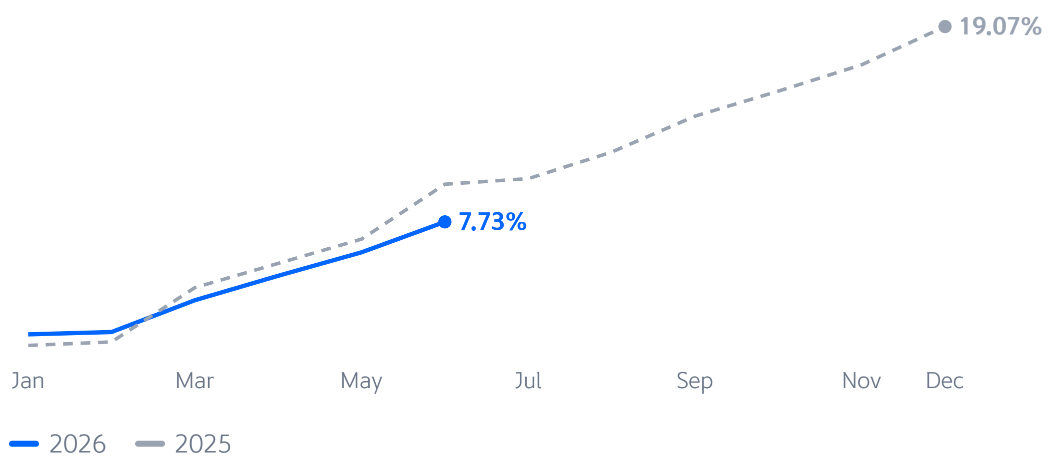
Overnight interbank rate, month-end %



Month-end overnight interbank rate, twelve months. July's 5.72% close followed an intra-month swing to 0.75%.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

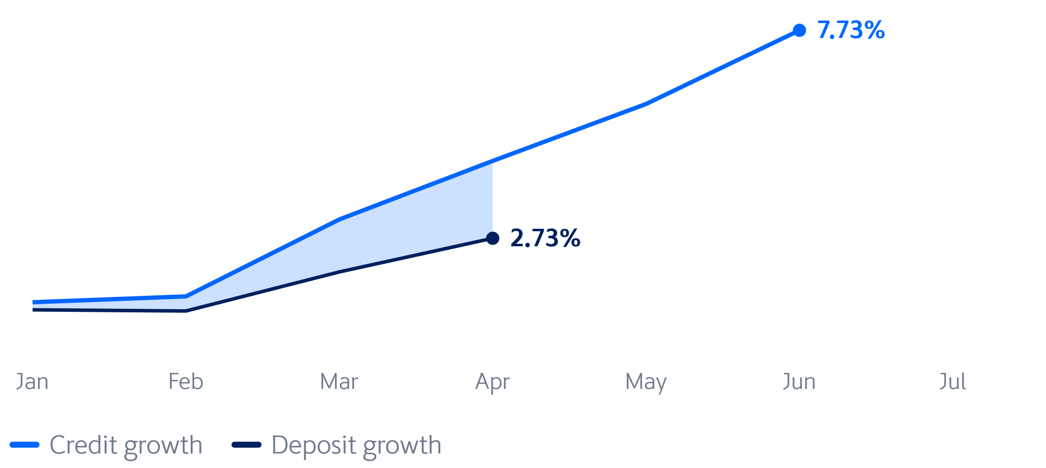
Credit growth YTD by month, %



Year-to-date credit growth by month, both years plotted from a January start. At end-June: 7.73% in 2026.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

Credit vs deposit growth YTD, 2026 %



Year-to-date credit and deposit growth, 2026, from a January start. Deposit growth is reported with a longer lag; the last confirmed reading is April's 2.73%, 5.00pp below June's credit growth of 7.73%.

Source: GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

12-month trend and change

Indicator	Shape	Latest	vs prior period	vs year earlier
Overnight interbank rate		**5.72%**	-6.77pp	+2.37pp
Deposit growth (YTD)		**n.a**	n.a	n.a
Avg lending rate		**9.30%**	+0.25pp	+1.65pp
VND/USD exchange rate		**26,250**	-470	-130

What this shows The free-market USD/VND rate appreciated 1.76% in July to close at VND 26,250, leaving the VND essentially flat on a 2026 YTD basis (+0.01%) — among the most stable currencies in the region, alongside the CNY (+3.36%), well ahead of the THB (-5.99%) and PHP (-4.12%). The SBV net-withdrew liquidity through July, and the overnight interbank rate swung from 5.95% to a low of 0.75% before spiking back to 5.72% at month-end. Credit growth for July is not yet published by SBV; the latest confirmed reading is 7.73% YTD as of end-June, up from 5.96% in May. Deposit growth is reported with a longer lag and remains unconfirmed since April's 2.73% YTD reading — below the 4.50% pace recorded by April 2025 — leaving credit expanding faster than deposits on the latest available data. SOCB deposit rates were unchanged at 5.90% for a fifth consecutive month.

Watch item Term rates continued to climb: the average 6-12 month deposit rate reached 6.85% in June from 6.65%, with lending rates following to 9.30% from 9.05%.

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Terms used in this section

YoY	Year on year — change from the same period a year earlier
MoM	Month on month — change from the previous month
YTD	Year to date — cumulative change since 1 January
pp	Percentage point — the arithmetic difference between two percentages
PMI	Purchasing Managers' Index — monthly survey; above 50 indicates expanding activity
IIP	Index of Industrial Production — volume of manufacturing, mining and utilities output
CPI	Consumer Price Index. Core CPI excludes volatile energy and food items
Contribution	How much of a headline rate a component accounts for, in percentage points
FDI	Foreign direct investment. Registered = formally committed; disbursed = actually deployed
SOCB	State-owned commercial bank
OMO	Open market operations — central-bank purchases and sales used to manage system liquidity
bn / tn	Billion / trillion

Sources · GSO, SBV, FiinPro-X, Bloomberg, S&P Global, Shinhan Securities Vietnam

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