

# ***Report on: Country analysis – Vietnam***



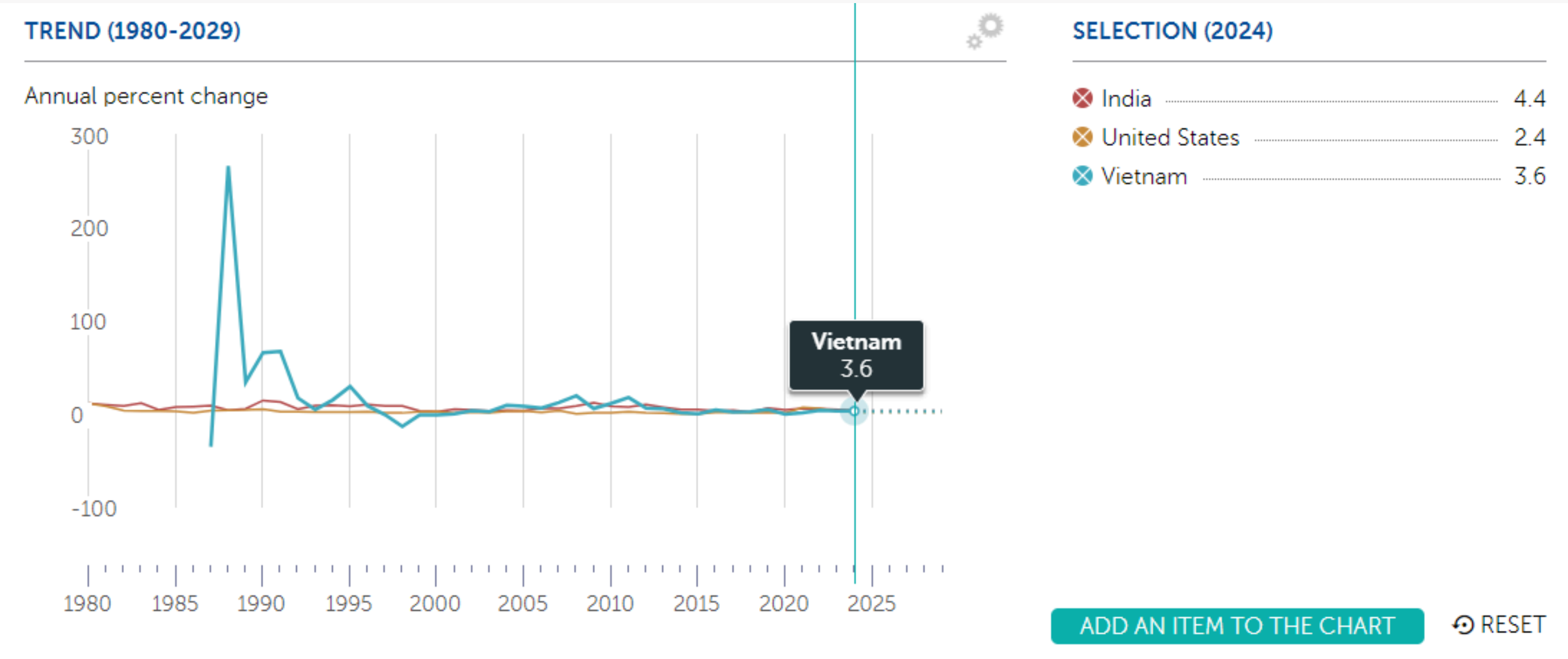
**–Vishwa Trivedi**

## **About the country:**

- **One of the fastest and relatively stable-growing economies in Asia over the past years**
- **Located in Southeast Asia on the Indochina peninsula.**
- **Vietnam is an attractive destination for foreign investors due to its stable political system, strong economic growth, and business-friendly policies.**



# Economic Indicators



Source:<https://www.imf.org/external/datamapper/PCPIEPCH@WEO/IND/USA/VNM>

## Interest Rate

Year	Interest rate
2022	4-6%
2023	4.5-6%
Mar. 2024	4.5%

## Inflation

Year	Rate
2022	3.2%
2023	3.25%
2024 (Estimated)	3.5-4%

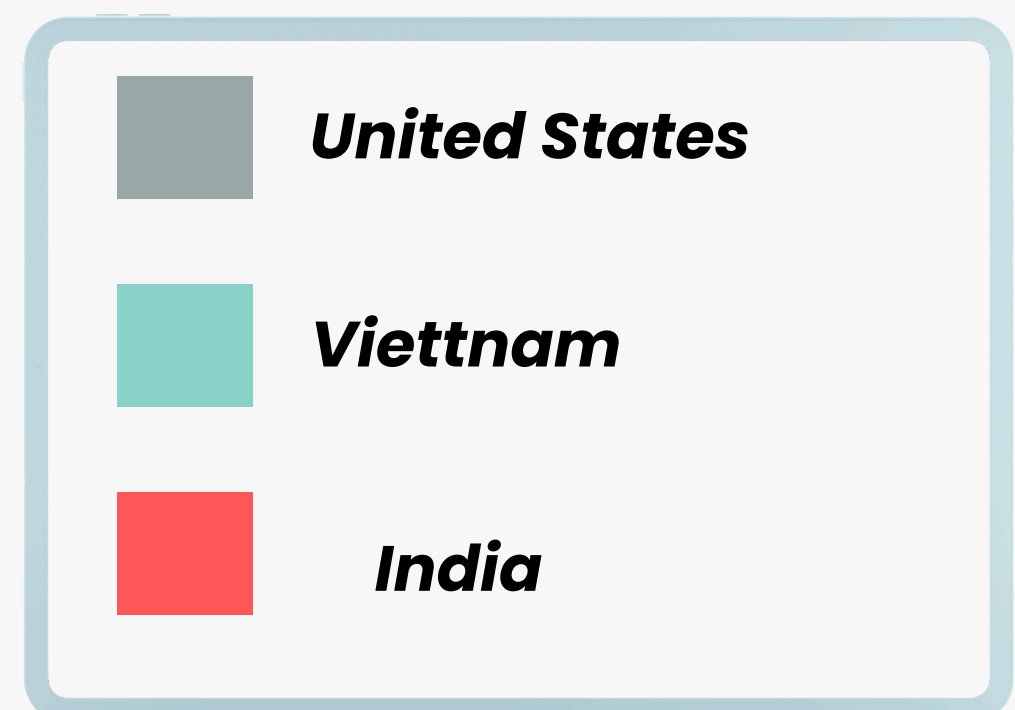
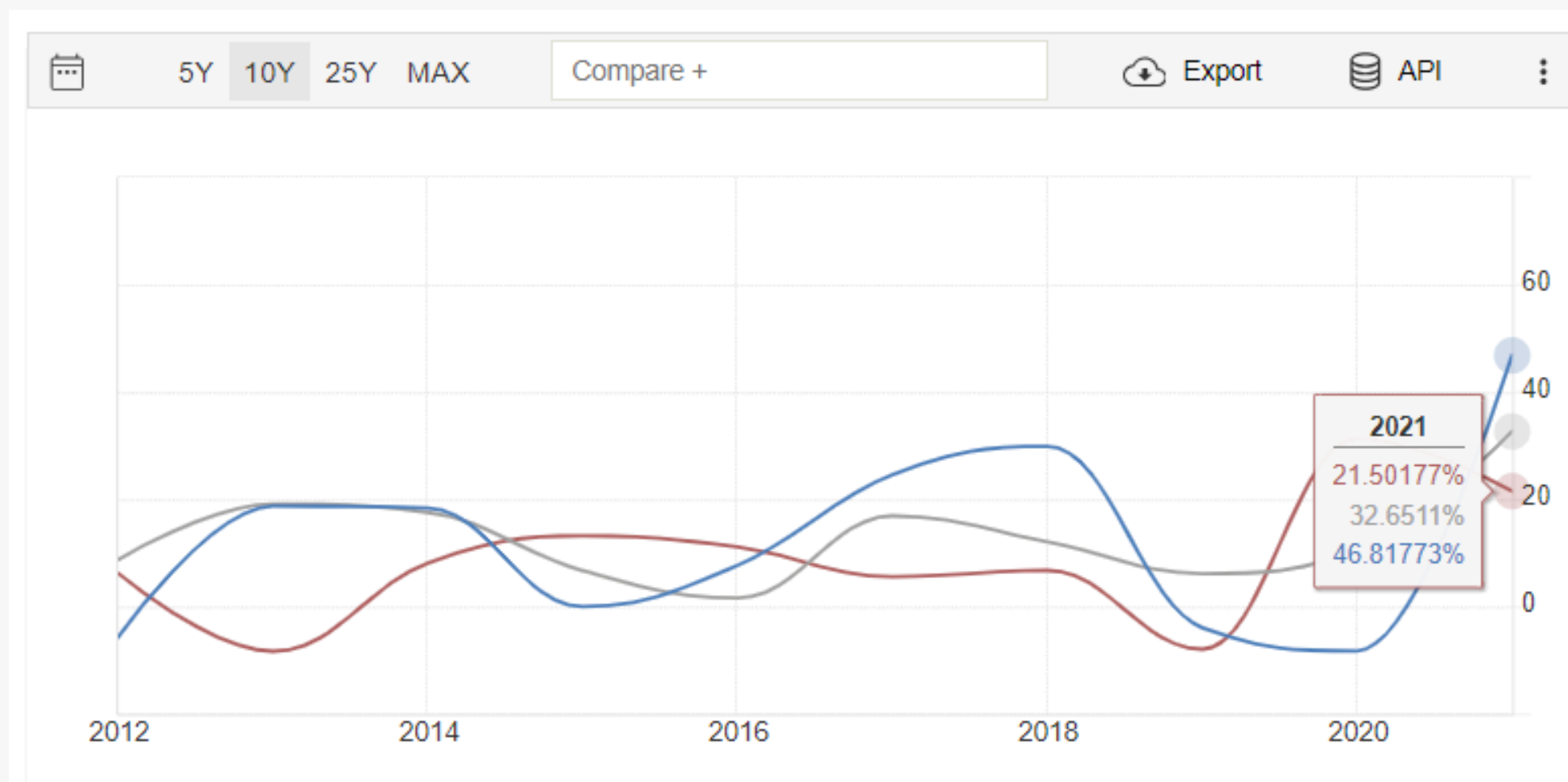
## Currency strength

**1 USD = 25,432 VND**

**The Vietnamese dong is very weak against the USD, indicating imports are much higher than exports. This shows the local manufacturing is not that strong & dependency on other countries can be concluded.**

# Economic Indicators

## STOCK MARKET RETURN



Source: <https://tradingeconomics.com/vietnam/stock-market-return-percent-year-on-year-wb-data.html>

## Nature of economy

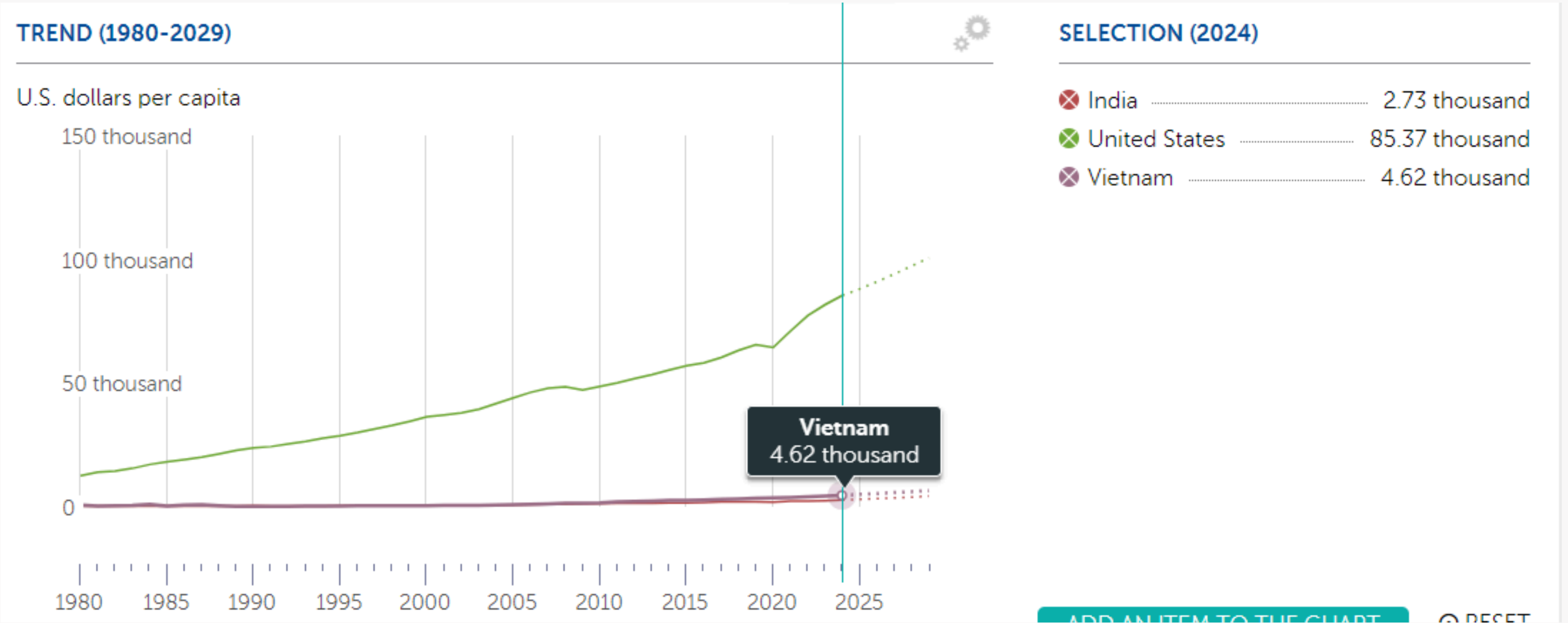
- ***Vietnam's economy is a developing, mixed socialist-oriented market economy.***
- ***It's the 35th-largest economy in the world by nominal GDP.***
- ***Vietnam is a lower-middle income country with a low cost of living.***

## Political Stability

- ***Vietnam is an authoritarian regime.***
- ***Vietnam is a unitary single-party state, and its political and security environment is largely stable.***
- ***There are no freely elected national leaders, political opposition is suppressed, all religious activity is controlled by the CPV.***
- ***Political risk in Vietnam is moderate. The political and security environment has a track record of stability, helping to provide a conducive environment for doing business.***



# Economic Indicators



*The increase in GDP indicates that the country's economy is expanding, indicating possible increase in exports, demand and tourism sector*

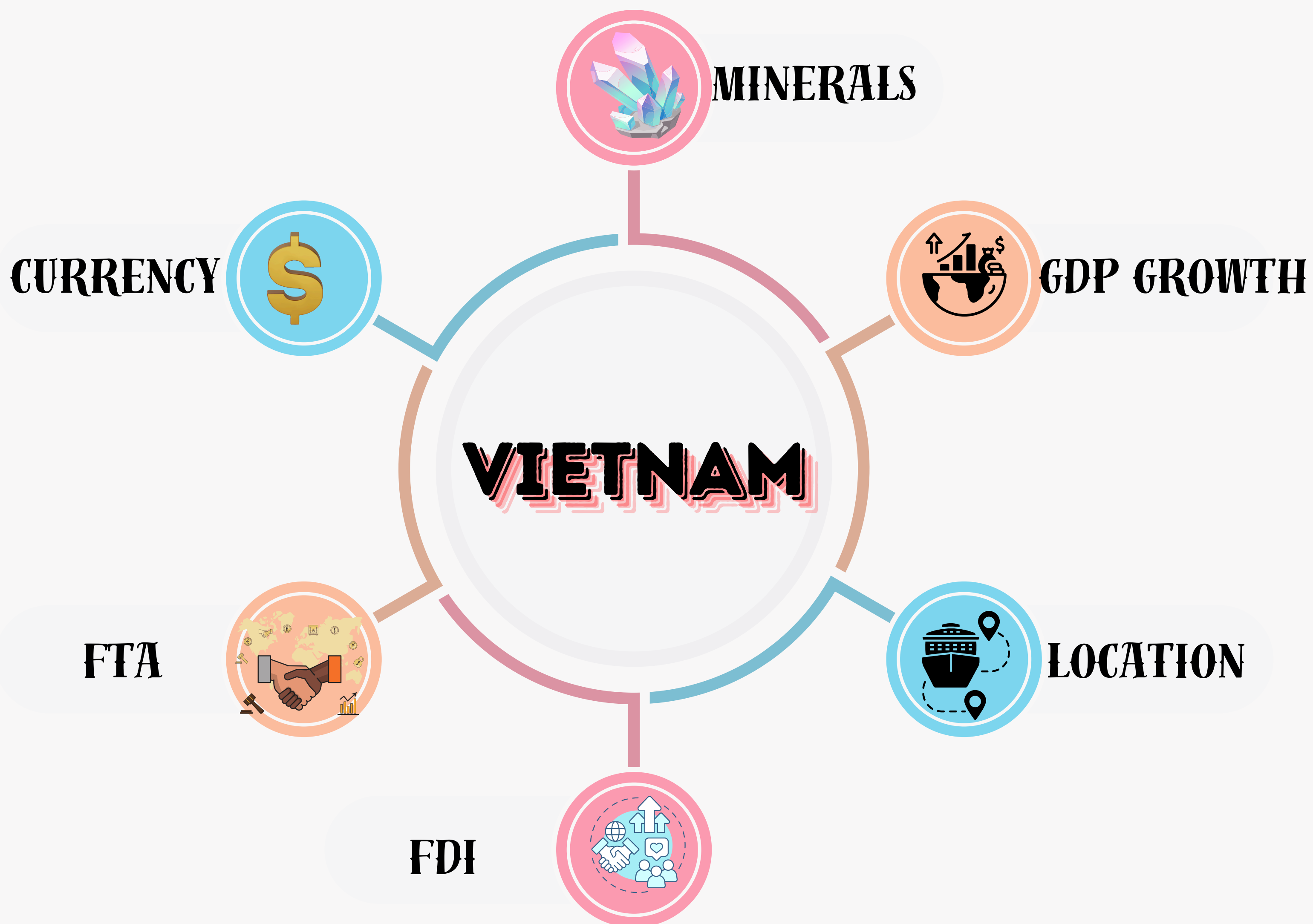
## GDP per capita

Year	Per capita
2022	\$4163.5
2023	\$4284.5
2024	\$4620

## HEALTH CARE COST

- Vietnam's healthcare expenditure was approximately USD18.5 billion in 2022, representing 4.6% of the country's GDP.*
- According to the World Bank, Vietnam's current health expenditure per capita is \$4.31 in current US dollars*

# Research Analysis



- ***Vietnam is a country rich in minerals like Coal, Bauxite, Oil, and Gas.***
- ***The country is one of the fast growing economies implying an expansion of economy.***
- ***Vietnam's location offers it easy access to global trade routes, thus encouraging globalization.***
- ***A key reason for the increase in inflation rate is inflow of cash from Foreign Direct Investment (FDI), indicating growth of the manufacturing sector .***
- ***The country has also entered in many Free Trade Agreements (FTA's) providing tariff free movement of goods among member nations.***
- ***Since the Vietnamese dong is very weak against the USD as well as INR, it provides the opportunity for investment at reduced costs.***

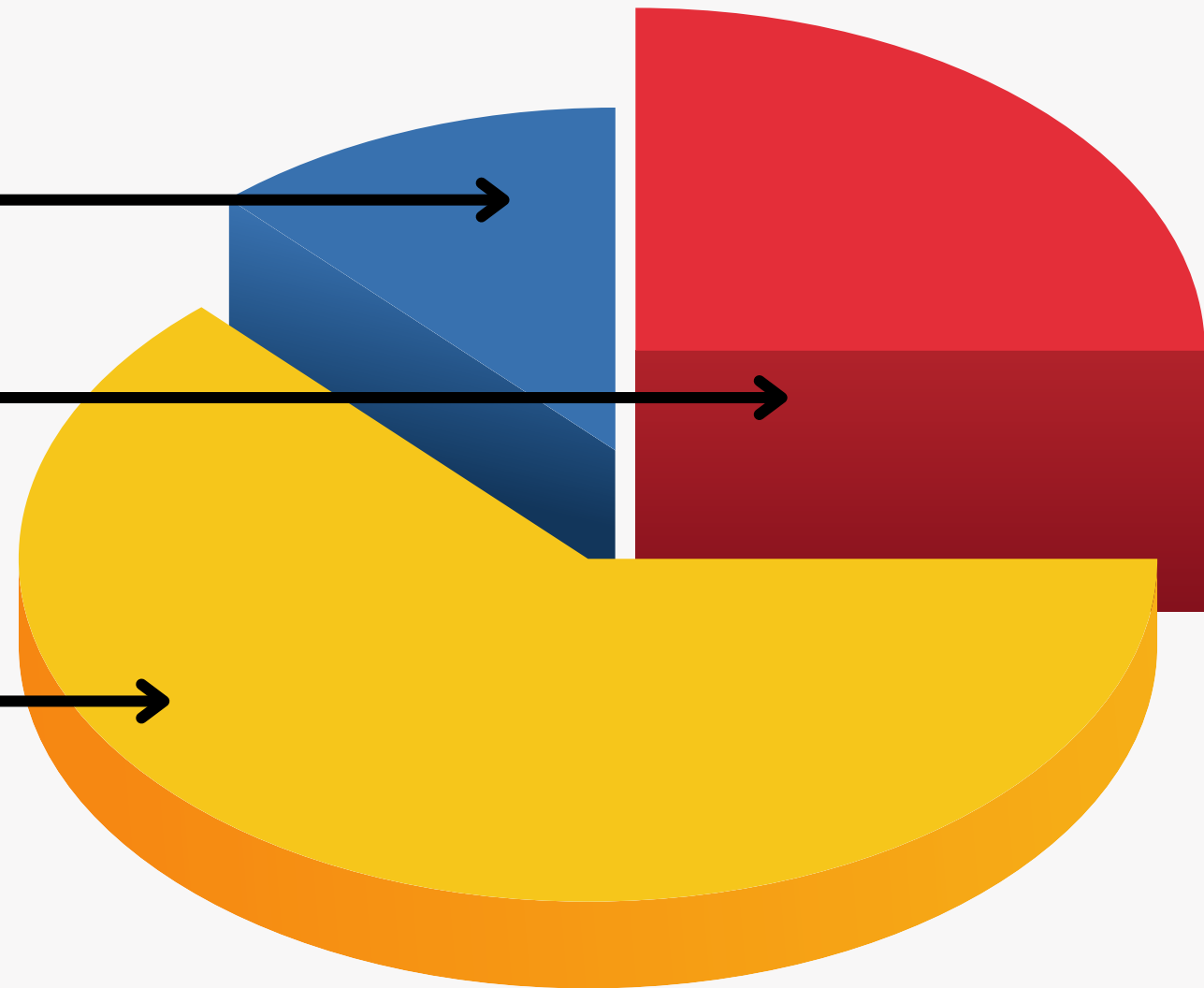
# Future Prospect

## Sectoral contribution to GDP

***Agricultural 11.96%***

***industry 23.88%***

***41.34%  
service sector***



***Manufacturing : textile industry***

***Exports: Liberalization of trade***

***Infrastructure***

***Domestic demand***

***Steady growth of banking services***

***FUTURE  
GROWTH***