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Diverging Credit Dynamics: Strength in Bank Issuance, Stress in Property Bonds





In May 2025, the total new issuance reached VND 66 trillion (+35% MoM), all of which were private placements. Over the first 5 months of 2025, total new issuance amounted to VND 137 trillion (+79% YoY), mainly driven by a surge in banks' issuances with VND 100 trillion year to date (+193% YoY). Among new issued bank bonds, senior bonds accounted for 63% of total value, with tenors ranging from 2-3 years and an initial coupon rate range from 5.1% to 6.0%. Meanwhile, most new subordinated bonds have tenors of 7-8 years and initial coupon rates ranging from 5.68% to 8.2%.

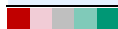
With banks' loan growth outpacing deposit growth, we expect many banks to increasingly rely on long-term bonds to meet their funding needs¹. We anticipate that banks will continue to drive the rise of new issuance, with plans for approximately VND 200 trillion in issuance in 2025. For example, Military Commercial JSC is expected to raise VND 30 trillion in bonds this year, while Asia Commercial Bank plans to issue up to VND 20 trillion.

In May 2025, there are 4 bond defaults for the first time from 3 real estate companies related to Hung Thinh Group and the Sunshine Group, including Hung Thinh Quy Nhon Entertainment Services JSC, Hung Thinh Land JSC, and Sunshine Housing. These companies have a track record of bond default and a weak credit profile with low profitability and high financial leverage. According to our data, all bonds issued by Hung Thinh Group have announced default. Meanwhile, the Sunshine Group has defaulted on VND 6.6 trillion out of its VND 25 trillion outstanding bonds.

In the remainder of 2025, 474 bonds valued at VND 150 trillion will mature, among which 148 bonds (valued at VND 25.8 trillion) have already defaulted. Real estate companies account for approximately half of these maturing bonds. Additionally, we assess that 26 other maturing bonds (VND 19 trillion) from 15 real estate companies are at risk of default.

Exhibit 1: Main developments in May 2025

Themes	Trend	Key Highlights
 New Issuance	Increased	<ul style="list-style-type: none"> In May 2025, the total new issuance was VND 66 trillion (+35% MoM). No public bond was issued this month.
 Market Liquidity	Improved	<ul style="list-style-type: none"> In May 2025, the daily average trading value was VND 5.8 trillion per day (11% MoM) higher than the average of 2024 – 5M2025. Average yield to maturity of bank bonds with Above-Average credit quality in 2-year and 7-year tenors increased by 30 basis points compared to the prior month.
 Defaults	Deteriorated	<ul style="list-style-type: none"> In May 2025, 1 bond defaulted on coupon payment and 3 bonds defaulted on principal payment We assess that issuers of 19 out of 31 bonds maturing in June 2025 have a weak credit profile. Among these, 10 bonds have already defaulted.
 Debt restructuring	Improved	<ul style="list-style-type: none"> In May 2025, 6 real estate issuers repaid nearly VND 5 trillion of bond principal (+480% MoM). The overall recovery rate increased by 1.2% to 31.9% from last month.

 (*) This color code exhibits the magnitude of the trend from negative to positive compared with the prior month

Source: VIS Rating

¹ Refer to our: [Liquidity tightens as asset quality weakens in mid-sized and state-owned banks \(27 May 2025\)](#)

Outstanding at the end of May 2025

Exhibit 2: Outstanding value of the market



VND 1329 trillion (+3.2% MoM)
Total outstanding value



105 tickers
Public bonds



2173 tickers
Private bonds

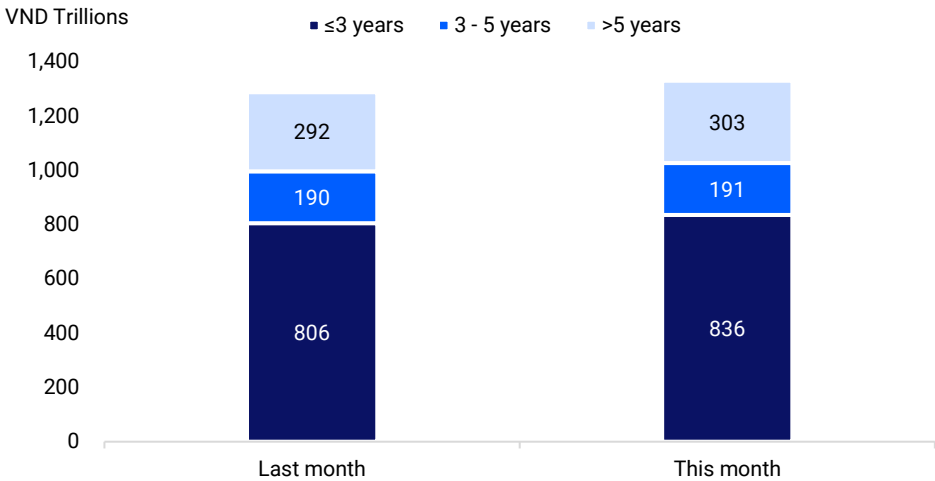
408 companies

Number of outstanding issuers



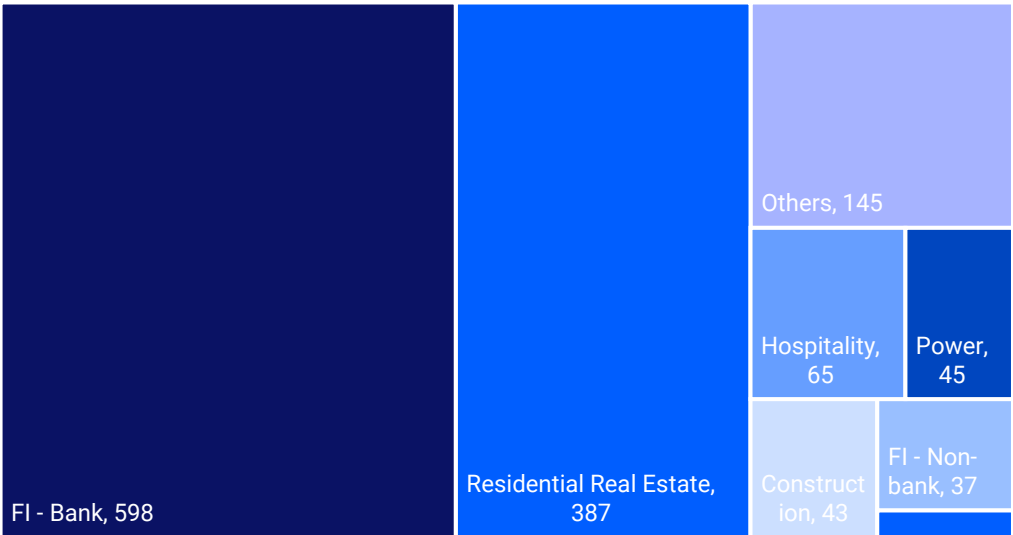
Source: Hanoi Stock Exchange (HNX), VIS Rating

Exhibit 4: Outstanding by bond maturity



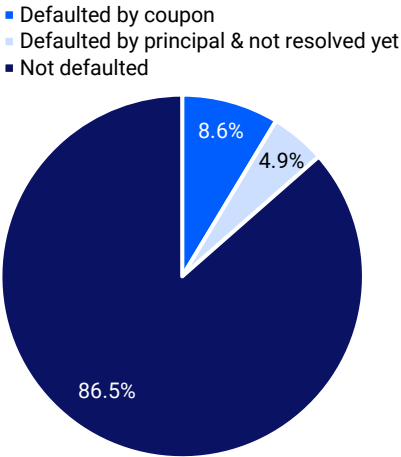
Source: HNX, VIS Rating

Exhibit 3: Outstanding by sectors



Unit: VND Trillions
Source: HNX, VIS Rating

Exhibit 5: Outstanding by default

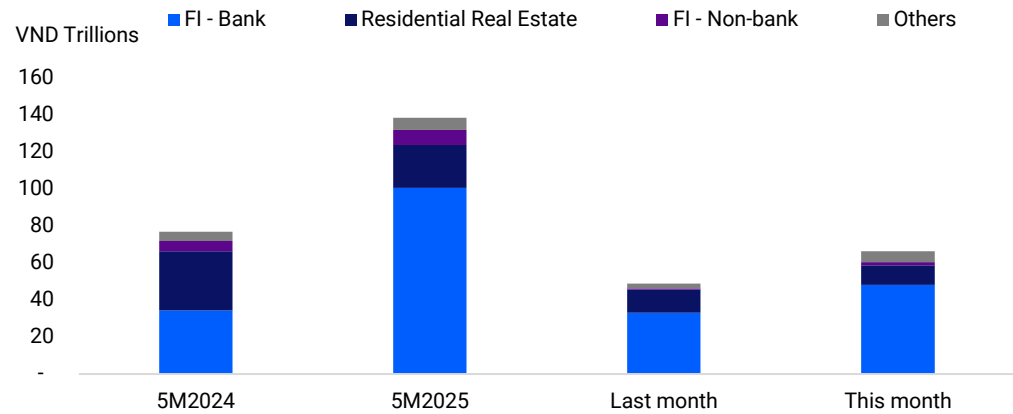


Source: HNX, VIS Rating

* Data in this report are updated as of 6 June 2025, unless stated otherwise. Detail information is available upon request.
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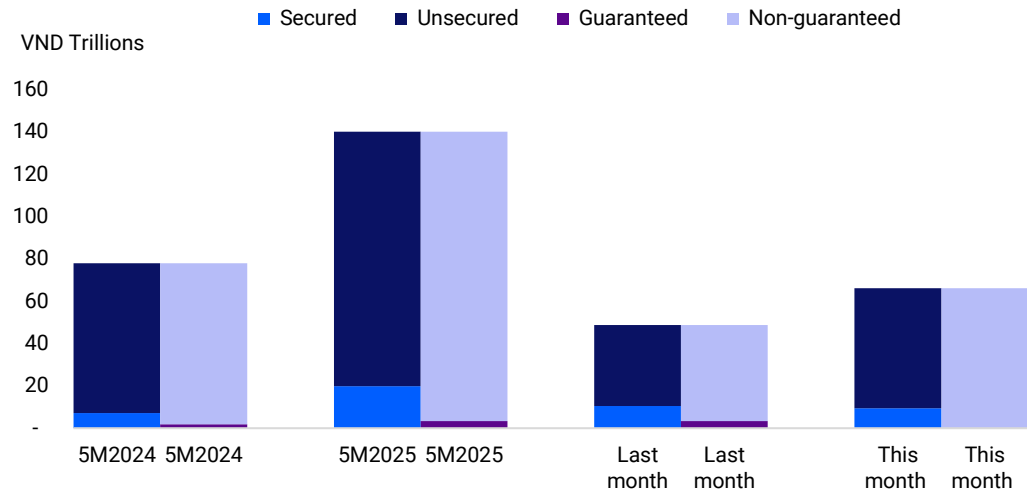
New issuances (1/2)

Exhibit 6: Monthly new issuances by sector



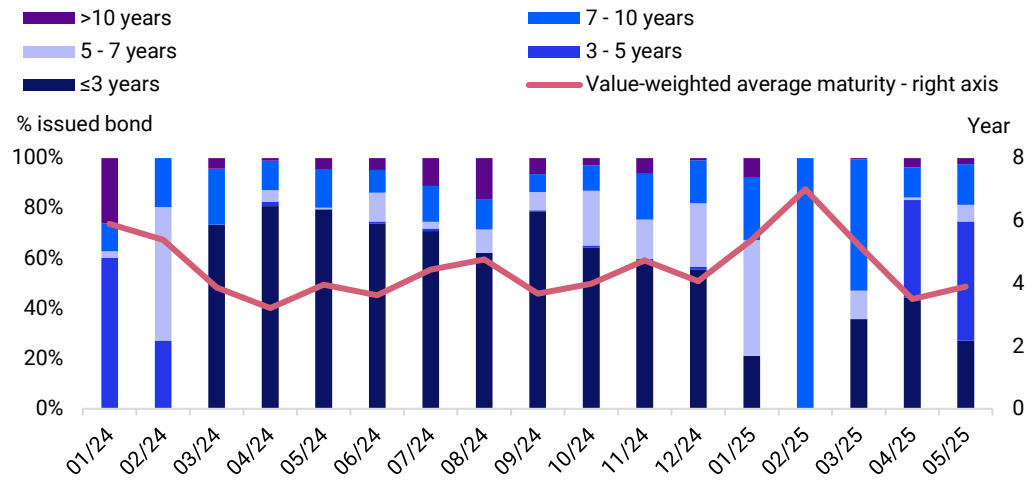
Source: HNX, VIS Rating

Exhibit 8: New issuances break down by type



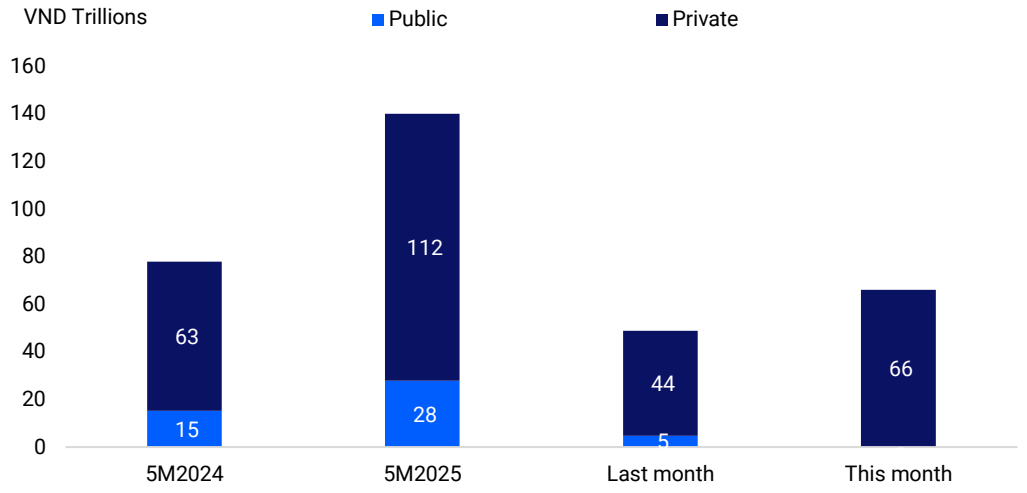
Source: HNX, VIS Rating

Exhibit 7: Maturity structure of new issuances



Source: HNX, VIS Rating

Exhibit 9: Public and private issuance



Source: HNX, VIS Rating

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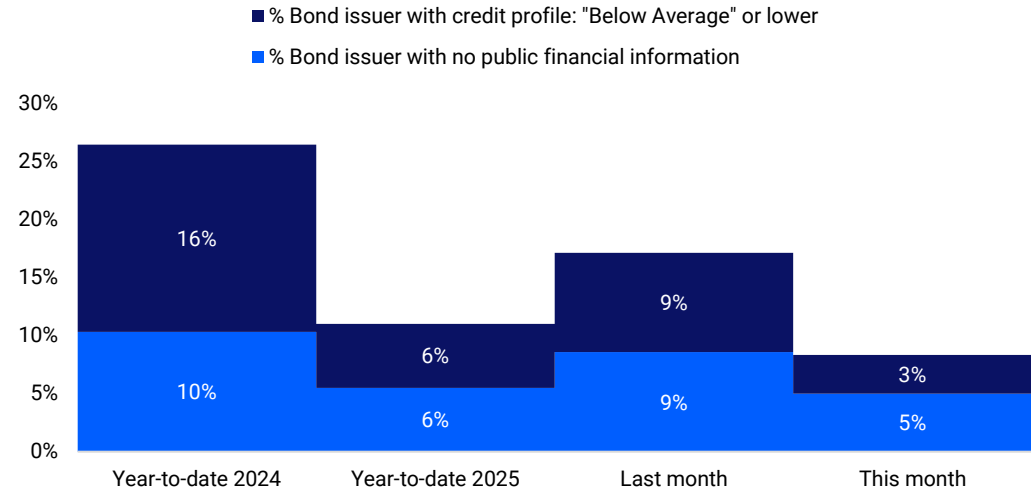
New issuances (2/2)

Exhibit 10: The largest bond issuance in May 2025

Issuer name	Issuance Amount	Issuer's outstanding bond	Type
VPS SECURITIES JSC	5 000	5 000	Senior Unsecured
VINFAST MANUFACTURING AND TRADING JOINT STOCK COMPANY	5 000	12 120	Senior Secured
VINGROUP JSC	4 000	31 479	Senior Secured
VIETNAM TECHNOLOGICAL AND COMMERCIAL JOINT STOCK BANK	4 000	53 590	Senior Unsecured
VIET MINH HOANG REAL ESTATE INVESTMENT, CONSTRUCTION JSC	3 466	3 466	Senior Secured
VIETNAM TECHNOLOGICAL AND COMMERCIAL JOINT STOCK BANK	3 200	53 590	Senior Unsecured
VIETNAM JOINT STOCK COMMERCIAL BANK OF INDUSTRY AND TRADE	3 000	59 277	Subordinated
TCO REAL ESTATE BUSINESS AND CONSULTANCY JOINT STOCK COMPANY	3 000	5 500	Senior Secured
VINGROUP JSC	3 000	31 479	Senior Secured
VIETNAM JOINT STOCK COMMERCIAL BANK OF INDUSTRY AND TRADE	3 000	59 277	Subordinated

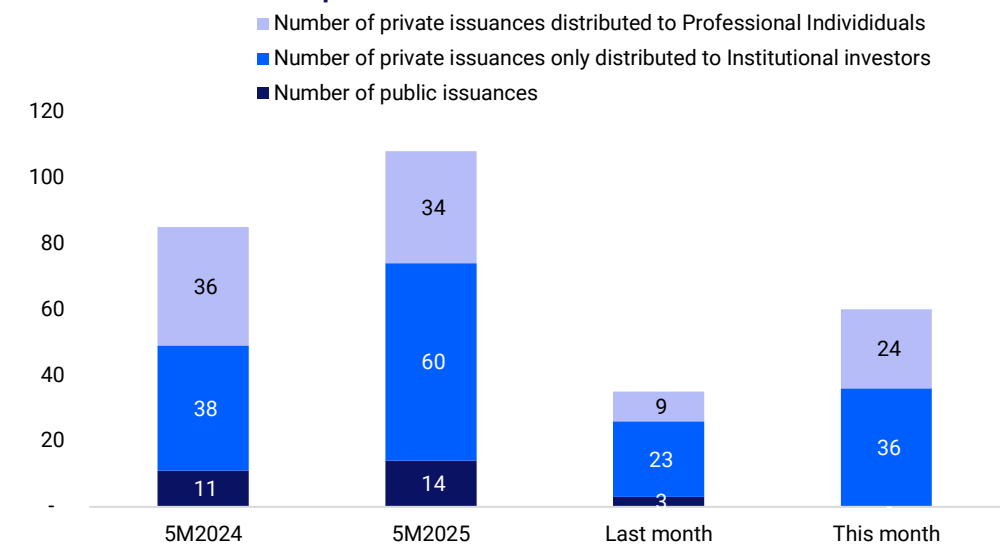
Unit: VND Billions
Source: HNX, VIS Rating

Exhibit 12: Issuers with weak credit profiles or no public financials this month



Source: HNX, VIS Rating

Exhibit 11: Number of new private issuances distributed to individual investors



Source: HNX, VIS Rating

Exhibit 13: Percentage of issuers with weak credit characteristics

		2025 YTD	May 2025
FI	Solvency	6%	6%
	Liquidity	8%	6%
Non-FI corporate	Leverage	16%	20%
	Coverage	79%	80%

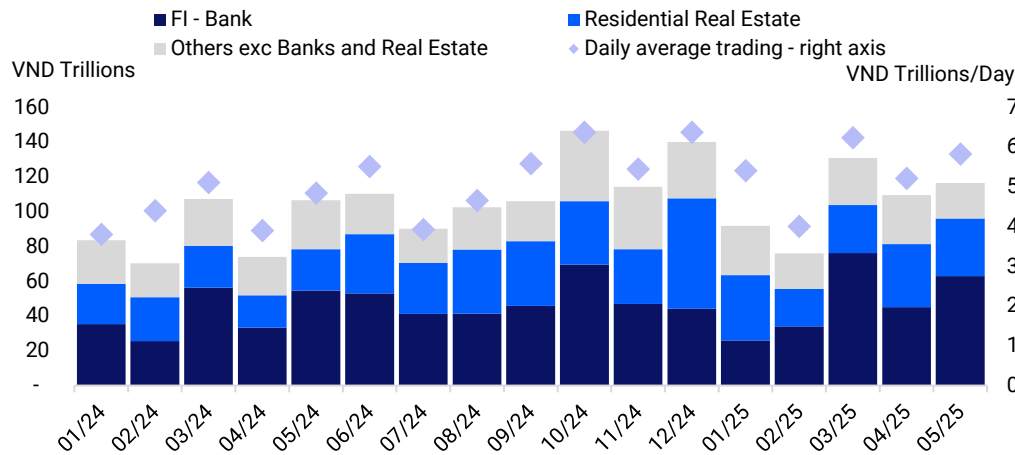
Note: Numbers in the table refer to the percentage of issuers with weak characteristics denoted by the Below-Average, Weak, Very Weak, and Extremely Weak categories based on our eight-category assessment scale

Extremely Weak	Very Weak	Weak	Below-Average	Average	Above-Average	Strong	Very Strong
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Source: HNX, VIS Rating

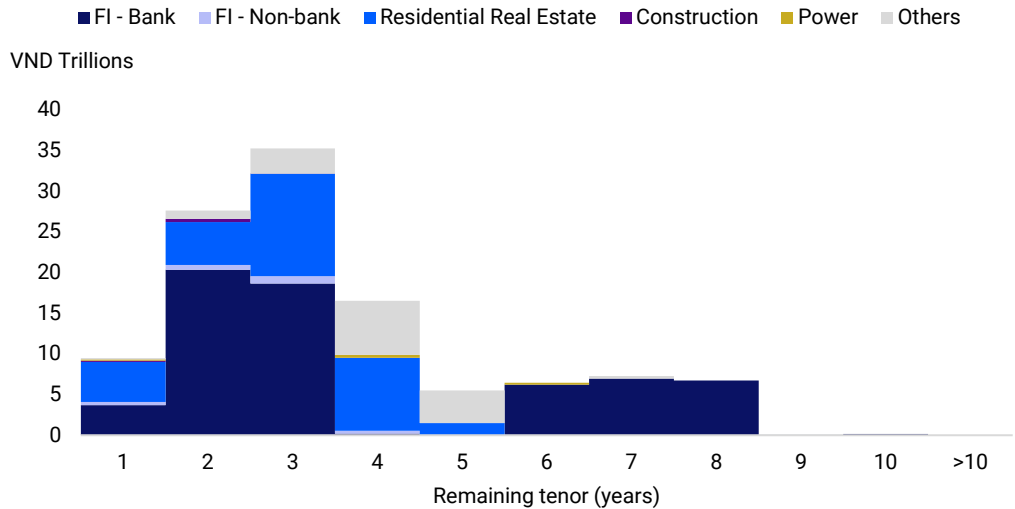
Market liquidity

Exhibit 14: Average trading value in the secondary market by sectors



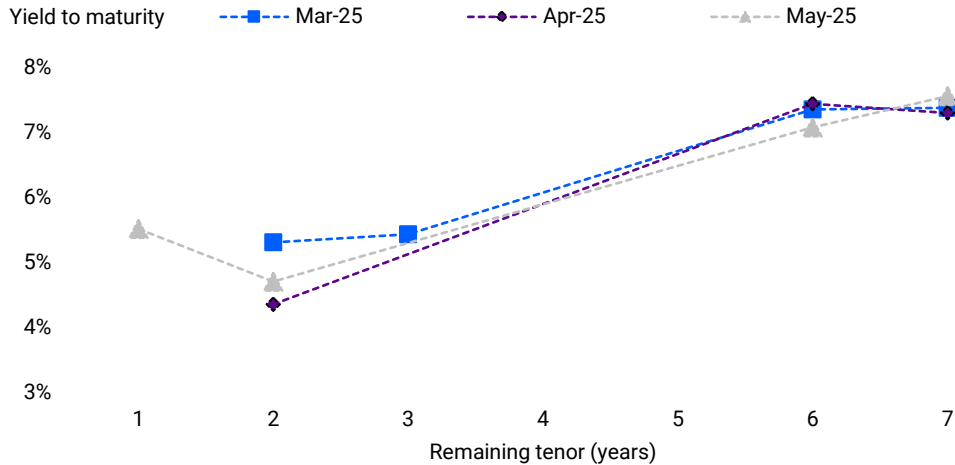
Note: We calculate the daily average trading value based on the total traded value in a month over the number of working days in a month
Source: HNX, VIS Rating

Exhibit 16: Trading volume by sectors and traded bond tenors in May 2025



Source: HNX, VIS rating

Exhibit 15: Average yield to maturity (YTM) of bank bonds with Above-Average credit quality



Note: Average YTM estimated from transaction data in each month excludes convertible bonds
Refer to [VIS Rating - How to Get Rated](#)
Source: HNX, VIS Rating

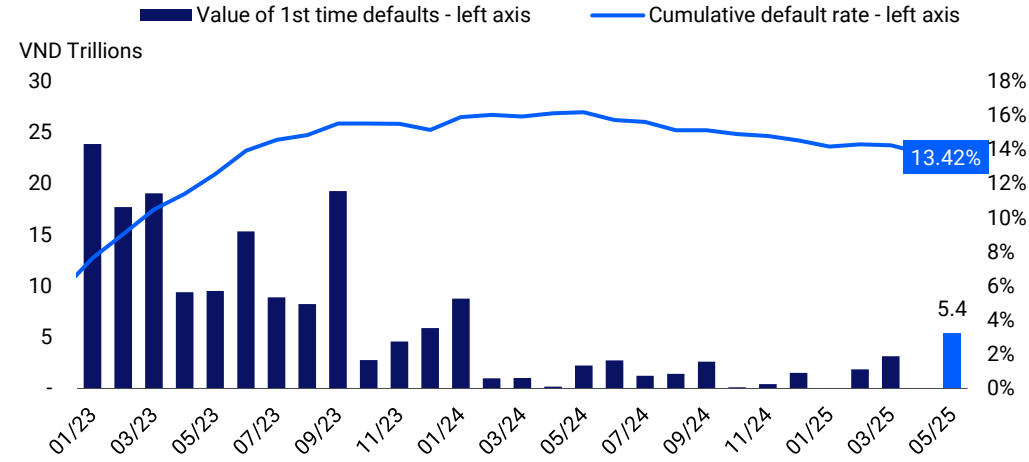
Exhibit 17: Top 10 issuers having bonds frequently traded (secondary market)

Issuer name	Sector	Traded value in May 2025	Traded value in 2025 (YTD)
HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK	FI - Bank	14 702	53 022
ASIA COMMERCIAL JOINT STOCK BANK	FI - Bank	8 799	38 025
VIETNAM INTERNATIONAL COMMERCIAL JOINT STOCK BANK	FI - Bank	7 877	22 310
VINGROUP JSC	Residential Real Estate	7 108	12 592
ORIENT COMMERCIAL JOINT STOCK BANK	FI - Bank	5 736	25 631
VIET DUC INVESTMENT AND TRADING COMPANY LIMITED	Other manufacturing	4 513	22 338
TNH HOTELS & RESORTS MANAGEMENT AND INVESTMENT JOINT STOCK COMPANY	Residential Real Estate	3 924	10 405
VIETNAM MARITIME COMMERCIAL JOINT STOCK BANK	FI - Bank	3 108	5 155
HUNG THINH QUY NHON SERVICE ENTERTAINMENT JOINT STOCK COMPANY	Residential Real Estate	2 946	7 550
VINHOMES JSC	Residential Real Estate	2 668	23 703

Unit: VND Billions
Source: HNX, VIS rating

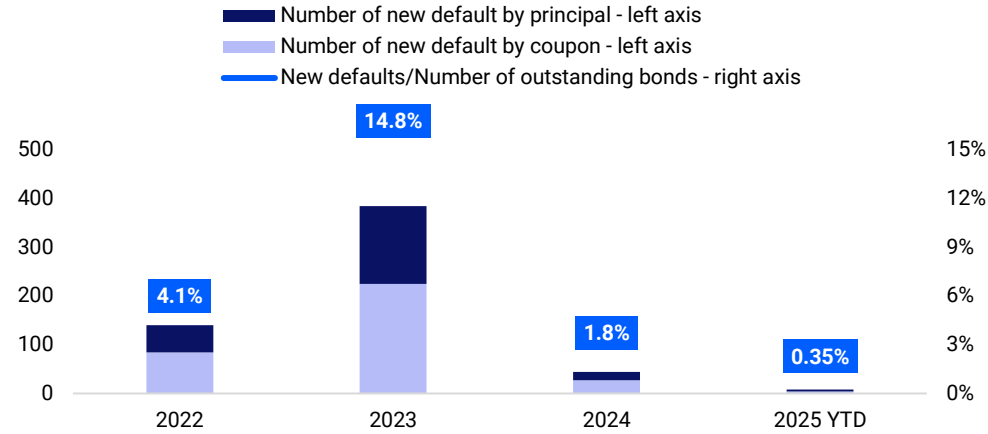
Defaults (1/2)

Exhibit 18: Monthly new bond defaults



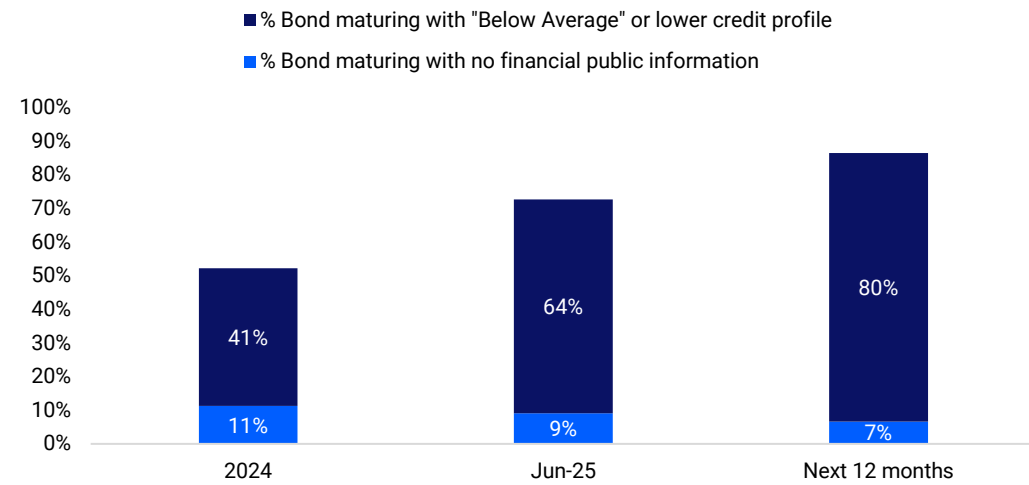
Note: The cumulative default rate is calculated by dividing total principal value of defaults by total outstanding value
Source: HNX, VIS rating

Exhibit 19: Number of new defaults and default rate each year



Note: The number of new defaults and the number of outstanding bonds are calculated for each year
Source: HNX, VIS rating

Exhibit 20: Issuers with weak credit profiles having bonds maturing next month



Source: HNX, VIS rating

Exhibit 21: Percentage of maturing issuers with weak credit characteristics

		June 2025	The next 12 months
FI	Solvency	0%	6%
	Liquidity	0%	7%
Non-FI corporate	Leverage	68%	35%
	Coverage	88%	95%

Note: Numbers in the table refer to the percentage of issuers with weak characteristics denoted by the Below-Average Weak Very Weak and Extremely Weak categories based on our eight-category assessment scale

Extremely Weak	Very Weak	Weak	Below-Average	Average	Above-Average	Strong	Very Strong
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Source: HNX, VIS rating

Defaults (2/2)

Exhibit 22: List of default bonds in May 2025

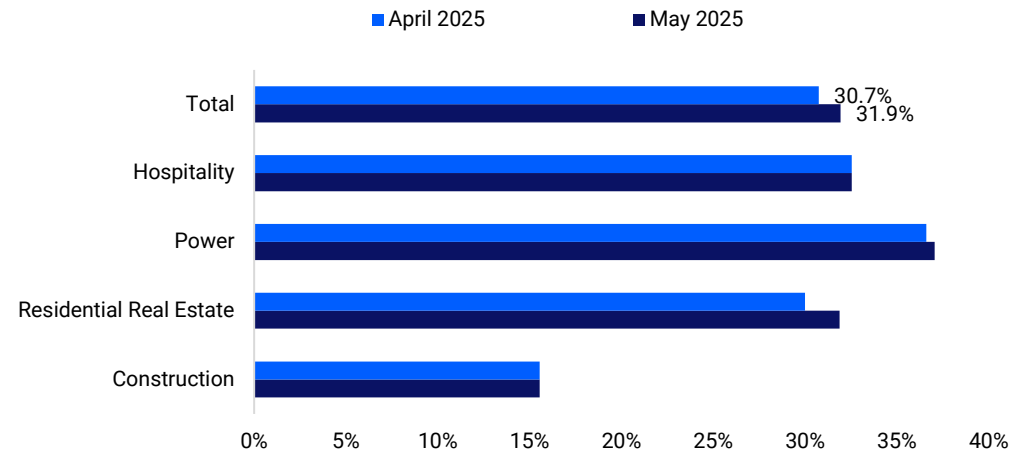
Issuer name	Sector	Bond Code	Default amount	Issuer outstanding bond	Latest project status	Profit after tax 2024	Bond/Equity 2024	Issuer first-time default
HUNG THINH QUY NHON SERVICE ENTERTAINMENT JSC	Residential Real Estate	HQNCH2124003	2 500	5 900	Slow in developing projects in Quy Nhon	-894	0.81	3/5/2023
		HQNCH2124004	1500					
HUNG THINH LAND JSC	Residential Real Estate	H79CH2124019	1 800	9 695	Slow in multiple projects in the South	-538	0.94	9/3/2023
SUNSHINE HOUSING JSC	Residential Real Estate	SHJCH2125002	1 100	3 497	Launching multiple new projects in the North	2	2.09	13/5/2024

Unit: Billion VND
Note: Hung Thinh Land Joint Stock Company financial numbers are 1H2024
Source: HNX, VIS rating

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Debt Restructuring and Resolution

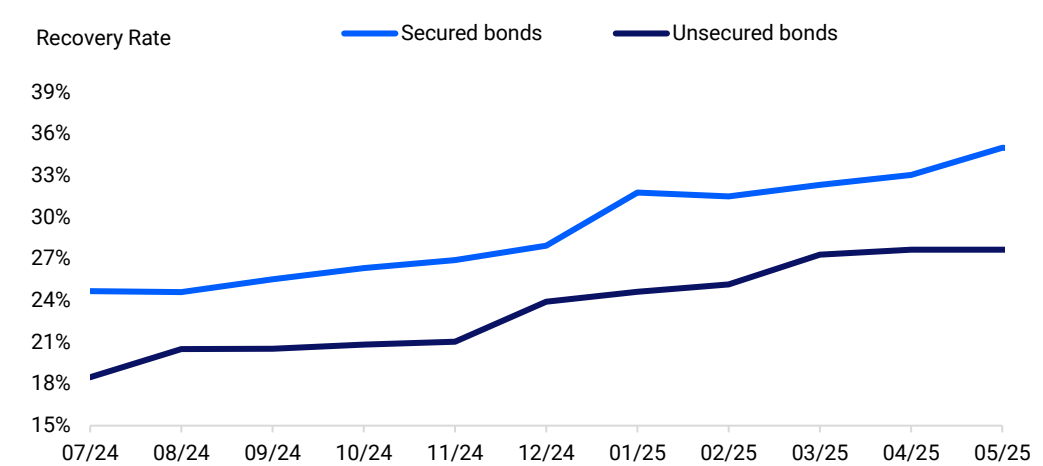
Exhibit 23: Recovery rate of defaulted bonds



Note: We estimate the recovery rate based on the amount of principal repaid, including cases where only a partial amount has been repaid and restructuring is still ongoing, following the bond default.

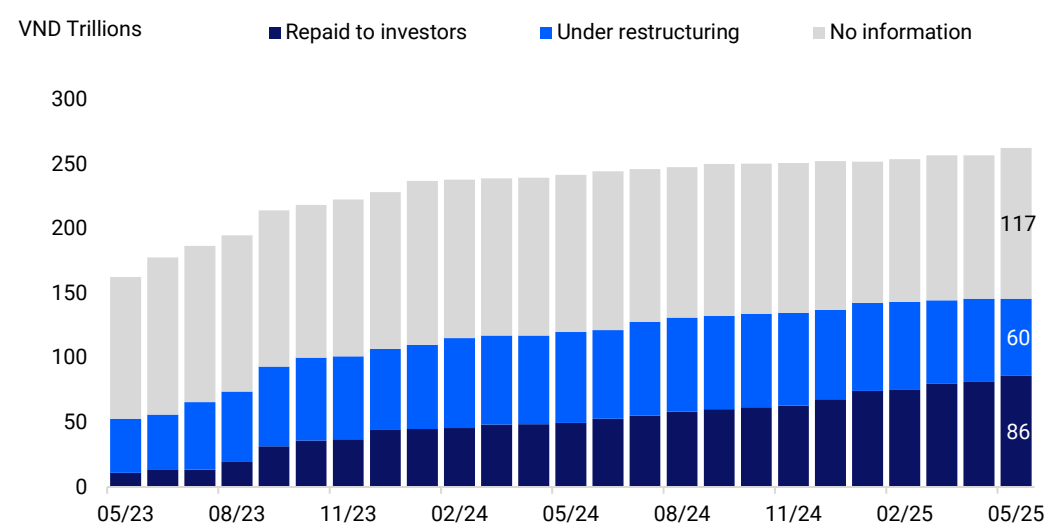
Source: HNX, VIS rating

Exhibit 24: The recovery rate by type of bonds



Source: HNX, VIS rating

Exhibit 25: Debt restructuring actions of defaulted bonds



Source: HNX, VIS rating

Exhibit 26: Top defaulted issuers resolved in May 2025

Issuer name	Sector	Resolve amount	Total outstanding bond after resolution
SUMMER BEACH INVESTMENT JOINT STOCK COMPANY	Residential Real Estate	1 500	-
DAI HUNG REAL ESTATE INVESTMENT AND DEVELOPMENT COMPANY LIMITED	Residential Real Estate	1 500	-
SEASIDE HOMES REAL ESTATE INVESTMENT AND DEVELOPMENT COMPANY LIMITED	Residential Real Estate	1 500	-
TRADING CONSTRUCTION WORKS ORGANIZATION	Residential Real Estate	193	4 397
NAM PHUONG ENERGY INVESTMENT JOINT STOCK COMPANY	Power	145	1 345
SIGNO LAND JOINT STOCK COMPANY	Residential Real Estate	5	1 014

Unit: VND Billions

Source: HNX, VIS Rating

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