

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%.

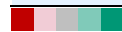
With banks' loan growth outpacing deposit growth, we expect many banks to increasingly rely on long-term bonds to meet their funding needs¹. We anticipate that banks will continue to drive the rise of new issuance, with plans for approximately VND 200 trillion in issuance in 2025. For example, Military 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 Think Group and the Sunshine Group, including Hung Think Quy Nhon Entertainment Services JSC, Hung Think 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 Think 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

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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

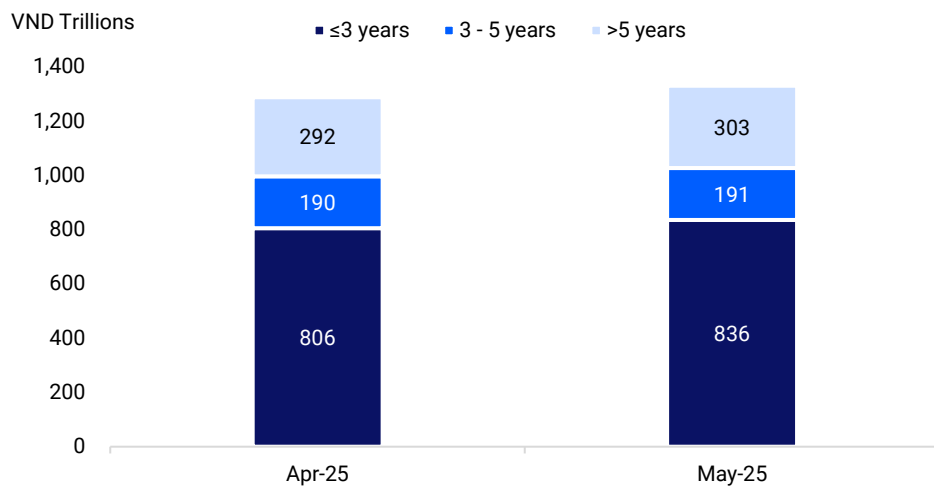
408 companies

Number of outstanding issuers



Source: Hanoi Stock Exchange (HNX), VIS Rating

Exhibit 4: Outstanding by bond maturity



Source: HNX, VIS Rating

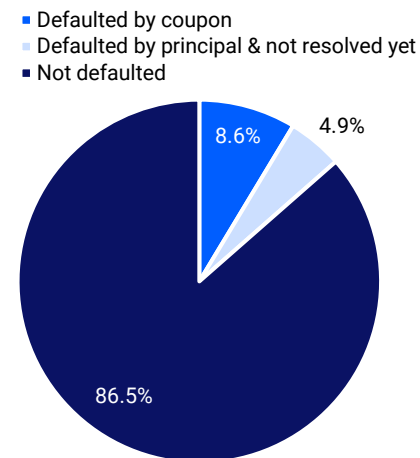
Exhibit 3: Outstanding by sectors



Unit: VND Trillions

Source: HNX, VIS Rating

Exhibit 5: Outstanding by default

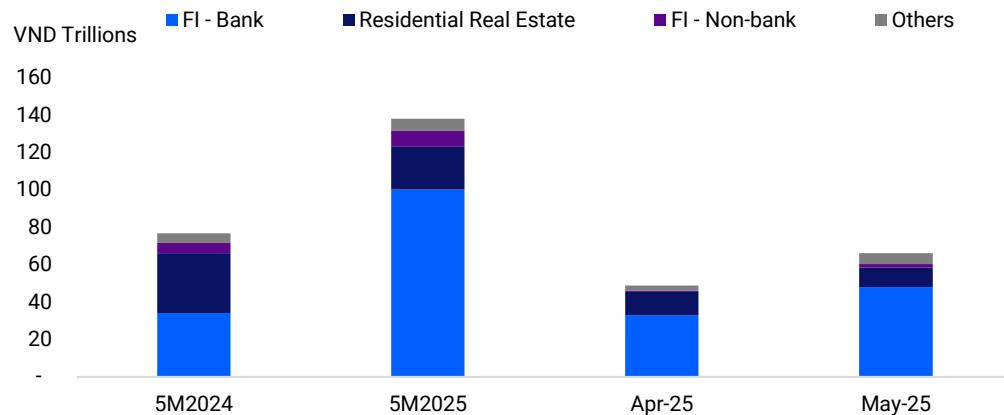


Source: HNX, VIS Rating

* Data in this report are updated as of 6 June 2025, unless stated otherwise. Detail information is available upon request. This publication does not announce a credit rating action

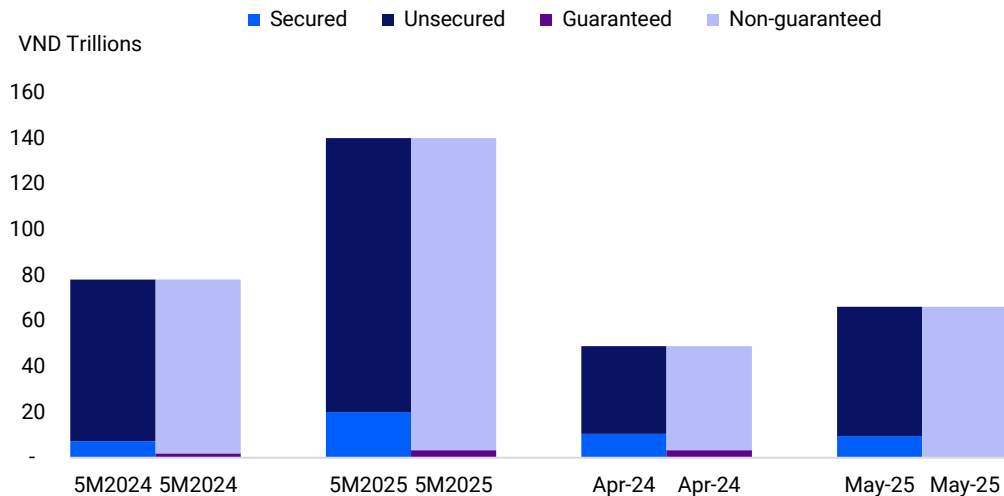
New issuances (1/2)

Exhibit 6: Monthly new issuances by sector



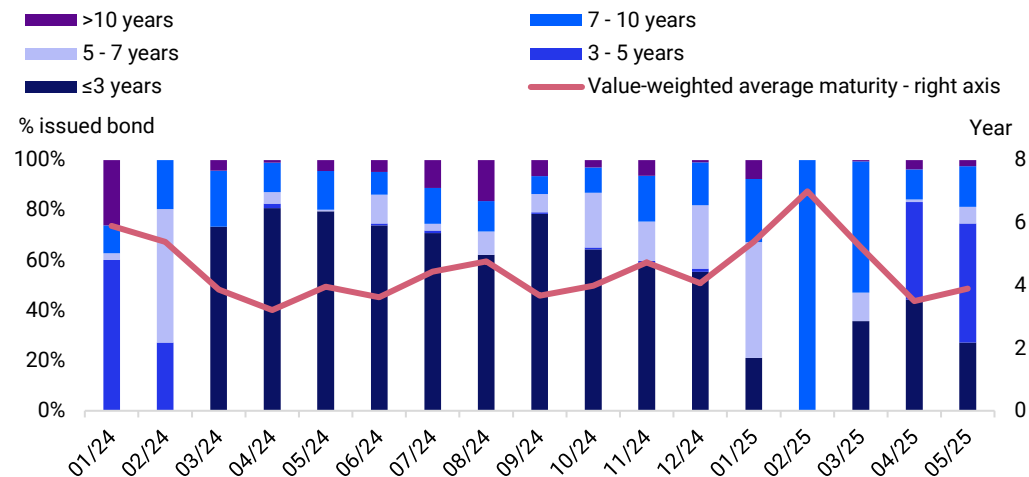
Source: HNX, VIS Rating

Exhibit 8: New issuances break down by type



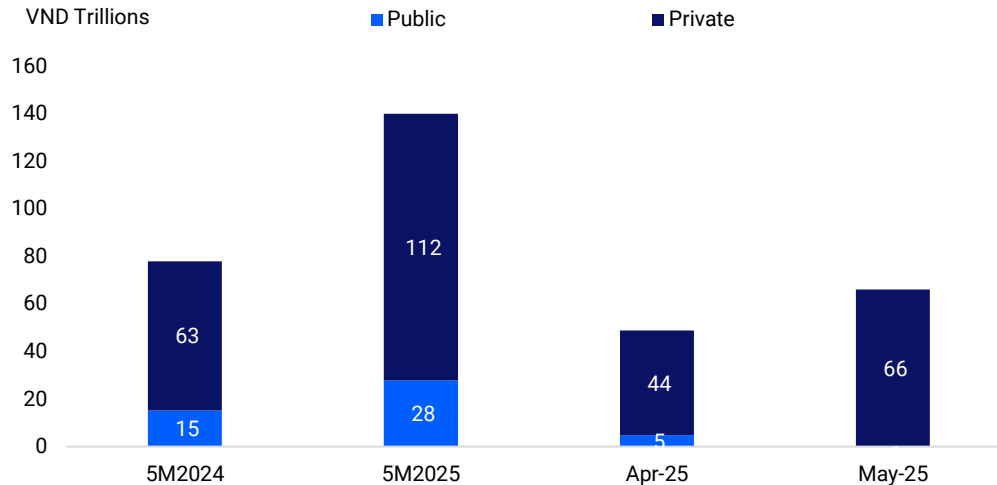
Source: HNX, VIS Rating

Exhibit 7: Maturity structure of new issuances



Source: HNX, VIS Rating

Exhibit 9: Public and private issuance



Source: HNX, VIS Rating

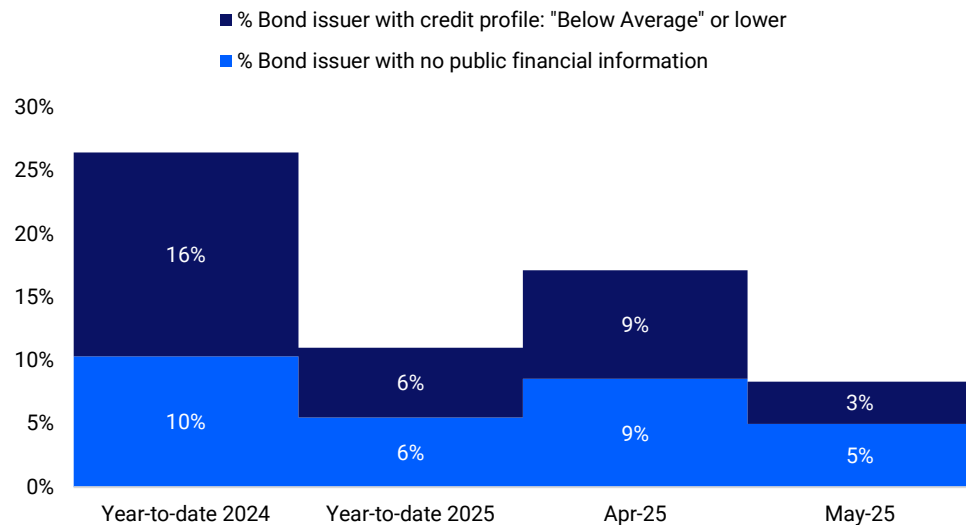
New issuances (2/2)

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 |

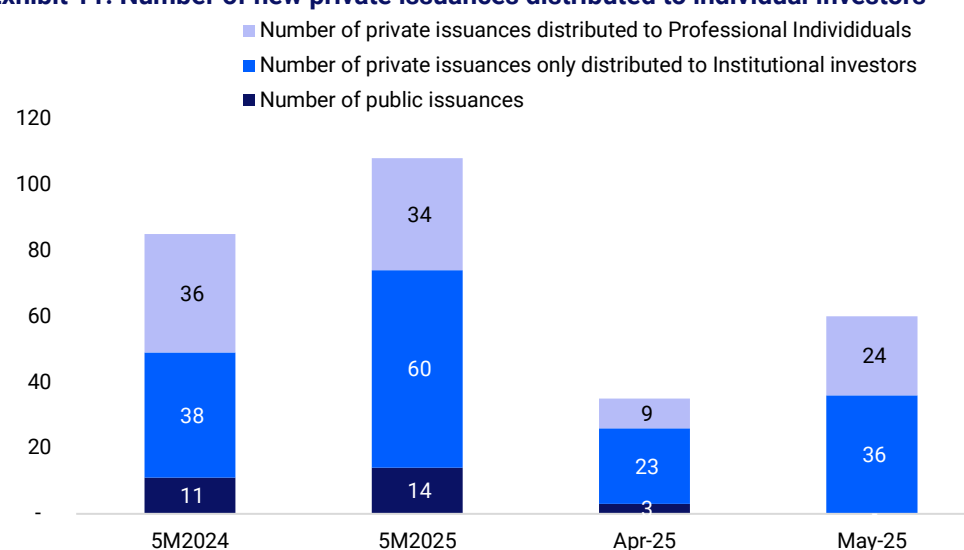
Unit: VND Billions
Source: HNX, VIS Rating

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% |

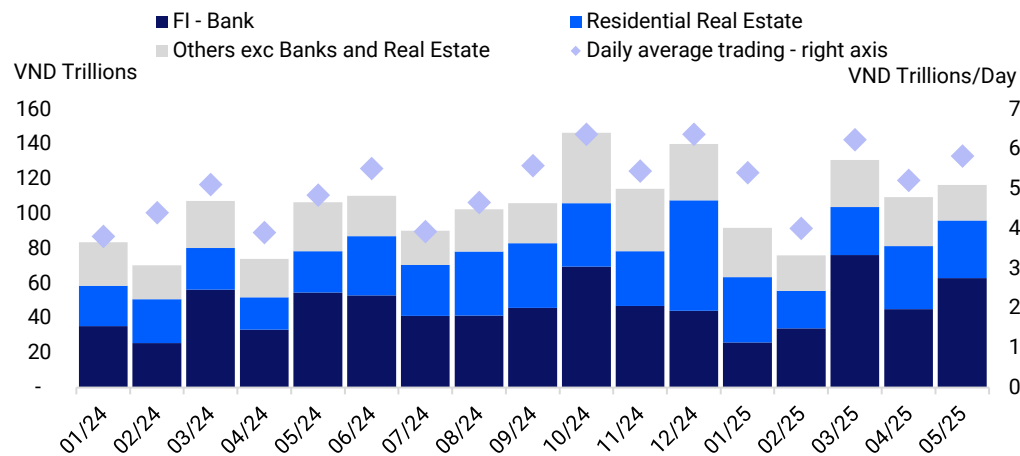
Note: Numbers in the table refer to the percentage of issuers with weak characteristics denoted by the Below-Average, Weak, Very Weak, and Extremely Weak categories based on our eight-category assessment scale

| | | | | | | | |
|----------------|-----------|------|---------------|---------|---------------|--------|-------------|
| Extremely Weak | Very Weak | Weak | Below-Average | Average | Above-Average | Strong | Very Strong |
|----------------|-----------|------|---------------|---------|---------------|--------|-------------|

Source: HNX, VIS Rating

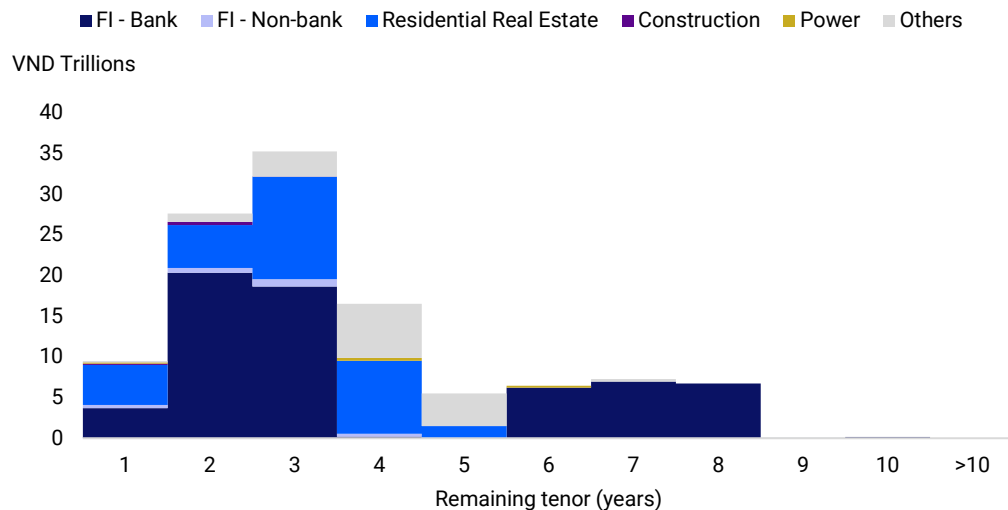
Market liquidity

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



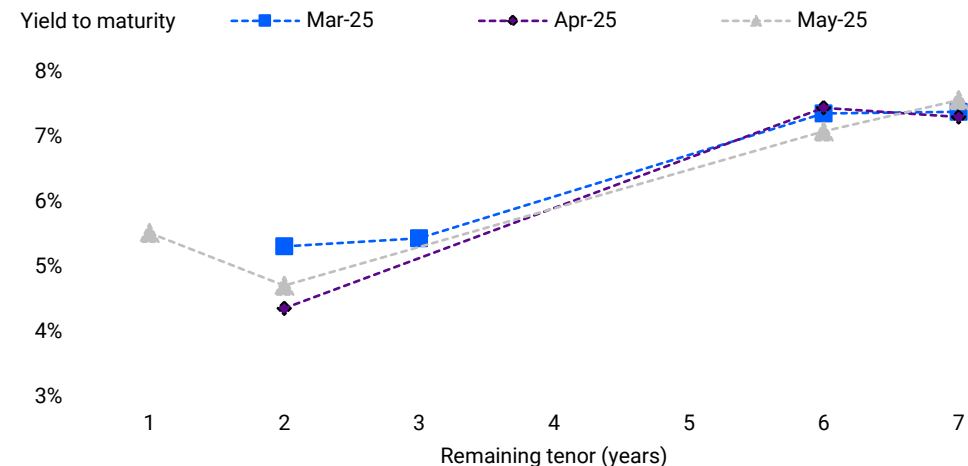
Note: We calculate the daily average trading value based on the total traded value in a month over the number of working days in a month
Source: HNX, VIS Rating

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

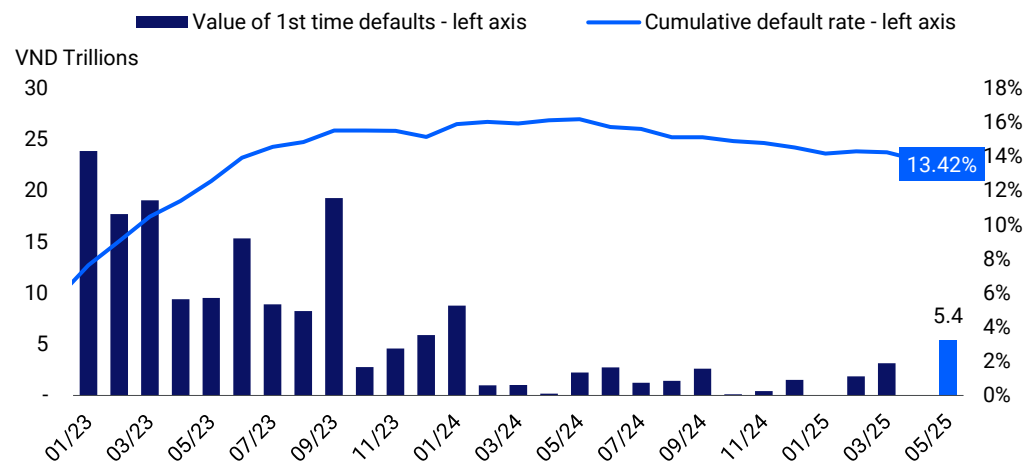
Exhibit 17: Top 10 issuers having bonds frequently traded (secondary market)

| 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

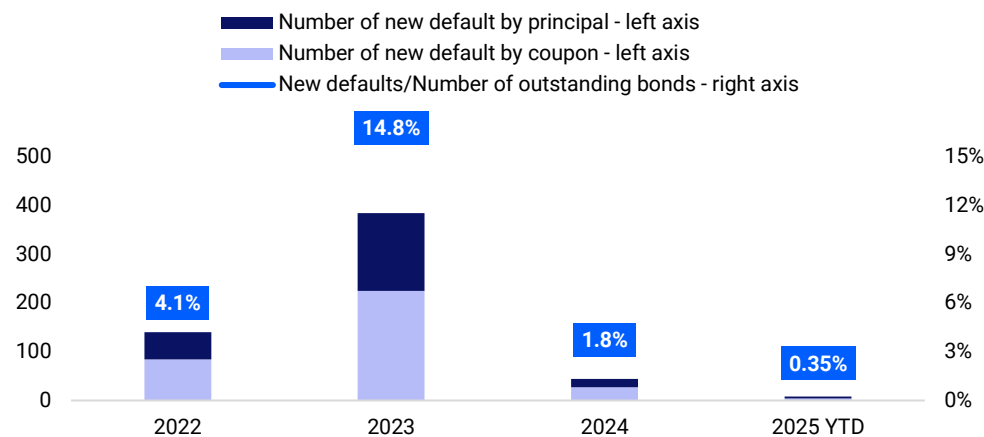
Defaults (1/2)

Exhibit 18: Monthly new bond defaults



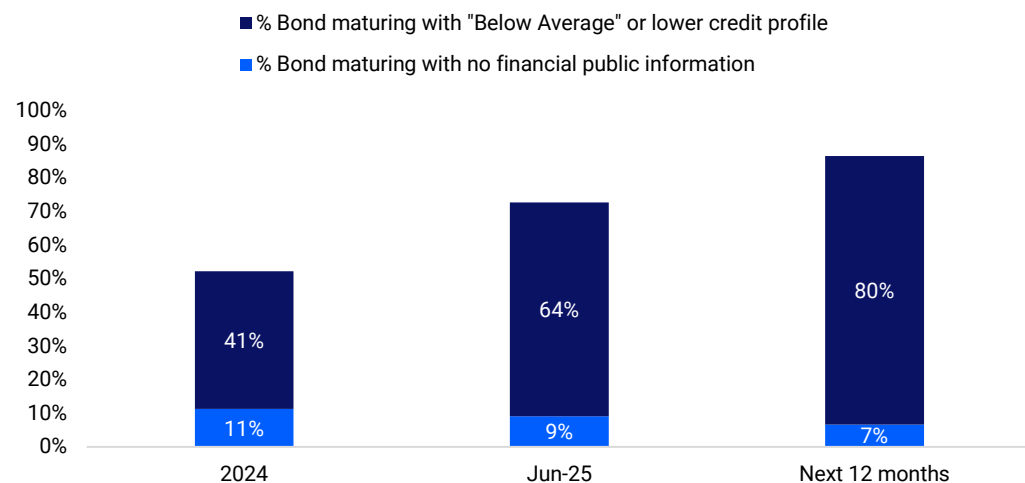
Note: The cumulative default rate is calculated by dividing total principal value of defaults by total outstanding value
Source: HNX, VIS rating

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% |
| | Liquidity | 0% |
| Non-FI corporate | Leverage | 68% |
| | Coverage | 88% |
| | | 35% |
| | | 7% |
| | | 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 |
|----------------|-----------|------|---------------|---------|---------------|--------|-------------|

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 |

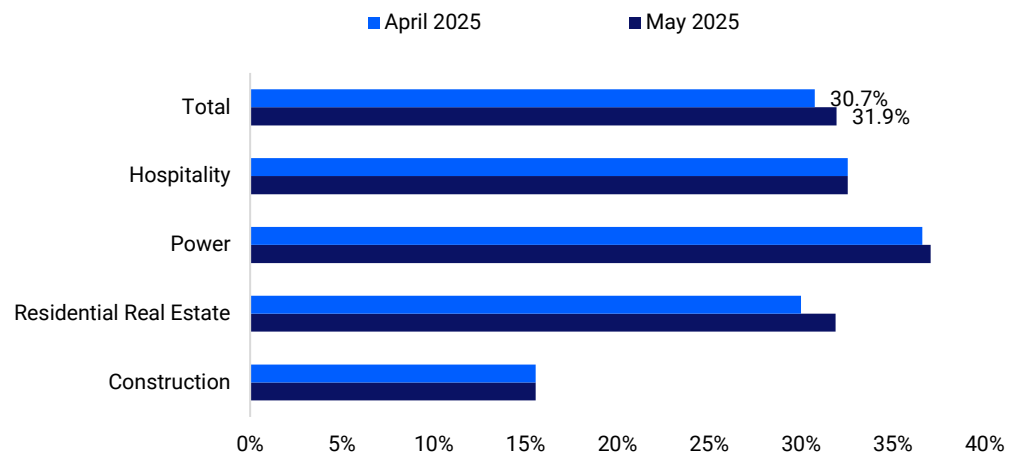
Unit: Billion VND

Note: Hung Thinh Land Joint Stock Company financial numbers are 1H2024

Source: HNX, VIS rating

Debt Restructuring and Resolution

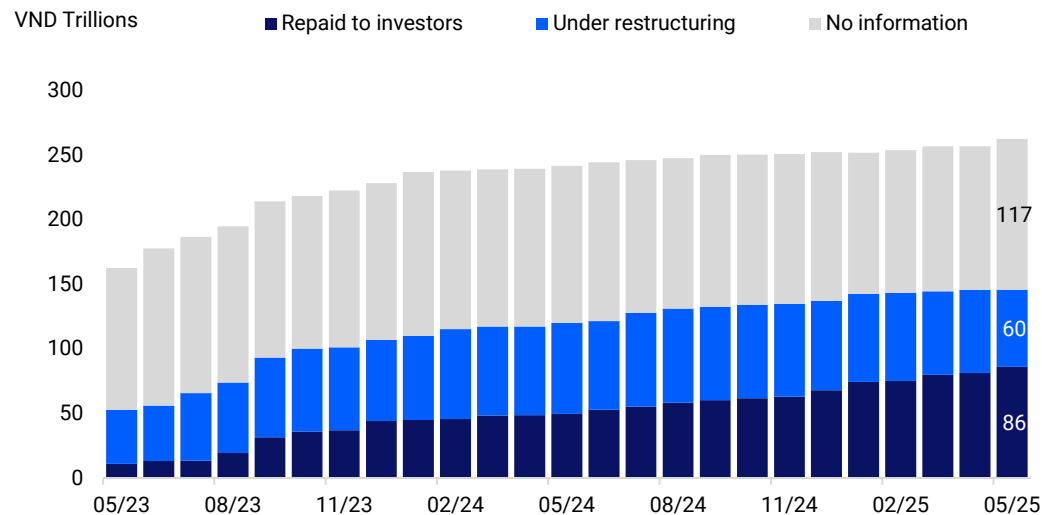
Exhibit 23: Recovery rate of defaulted bonds



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.

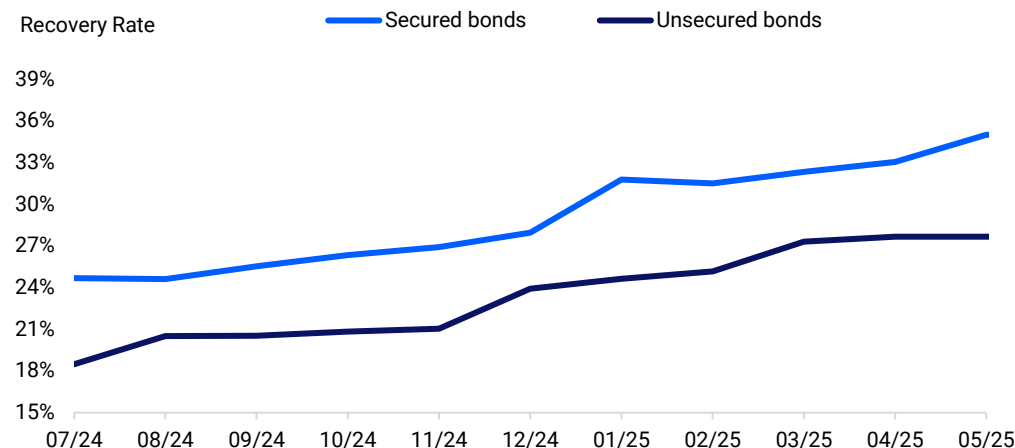
Source: HNX, VIS rating

Exhibit 25: Debt restructuring actions of defaulted bonds



Source: HNX, VIS rating

Exhibit 24: The recovery rate by type of 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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