Real Estate Fuels October Bond Surge, HBC Default Underscores Investor Need to Scrutinize Liquidity Risks

Vietnam's corporate bond market rebounded in October 2025, with total new issuance surging 30% month-on-month to VND 66 trillion, marking six straight months of growth. Real estate led the charge, securing five major deals between VND 3.8 trillion to VND 7.65 trillion. In contrast, bank issuance cooled, declining 15% month-on-month.

October also saw a revival in public offerings, totaling VND 2.3 trillion, led by Fortune Vietnam Joint Stock Commercial Bank (LPB, A+ Stable), Vietnam Asia Commercial Joint Stock Bank (VAB, A- Stable), and DNSE Securities. LPB and VAB issued 7-year subordinated, unsecured bonds, with initial coupon rates of 7.03% and 7.6% respectively. The 57-basis point spread reflects growing market awareness and sensitivity to credit ratings, signaling that investors are increasingly pricing on credit risk when assessing bank issuances.

Despite posting net profit and a positive cash balance of VND 300 billion at the end of Q3/2025, Hoa Binh Construction Group JSC (HBC) defaulted on a VND 12.4 billion principal repayment for bond HBCH2225002 on 31 October 2025 — its first default on bond principal. The default exposes a critical liquidity gap, underscoring that headline profitability and cash balances may not reflect true repayment capacity. While HBC announced plans to execute a large backlog, most projects are newly launched, limiting near-term cash inflows and keeping liquidity under pressure. The missed repayment highlights the importance of deeper scrutiny into issuer liquidity and cash flow dynamics, especially for large corporates with complex operating cycles.

Exhibit 1: Main developments in October 2025

Themes	Trend	Key Highlights
New Issuance	Increased	• Total new bond issuance reached VND 66 trillion in October 2025, bringing the total issuance value in 2025 to VND 491 trillion (+39% year-on-year increase) • The total outstanding bond balance of the market stood at VND 1,406 trillion, up 2.5% MoM, reflecting stable issuance momentum and continued investor demand.
Market Liquidity	Stable	• The average daily trading value on the secondary bond market reached VND 4.9 trillion, nearly equivalent to the 10-month average level, indicating stable liquidity. • HDBank (HDB) remained the most actively traded issuer since the beginning of 2025, with a total trading value of VND121 trillion.
Defaults	Deteriorated	• October 2025 recorded 3 new defaults with a total principal value of VND 2 trillion. • 30 defaults year-to-date, pushing the 10-month 2025 default rate to 1.2%.
Debt restructuring	Improved	• At end of October 2025, the aggregate recovery rate improved to 38.6%, up from 37.5% at end of September 2025. • The recovery rates for defaults of Residential Real Estate issuers reached 45.33%, showing improved progress in default resolution recently.

(*) 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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Outstanding at the end of October 2025

Exhibit 2: Outstanding value of the market

Total domestic outstanding market

VND1406 trillion

Number of public bonds

111

Number of private bonds

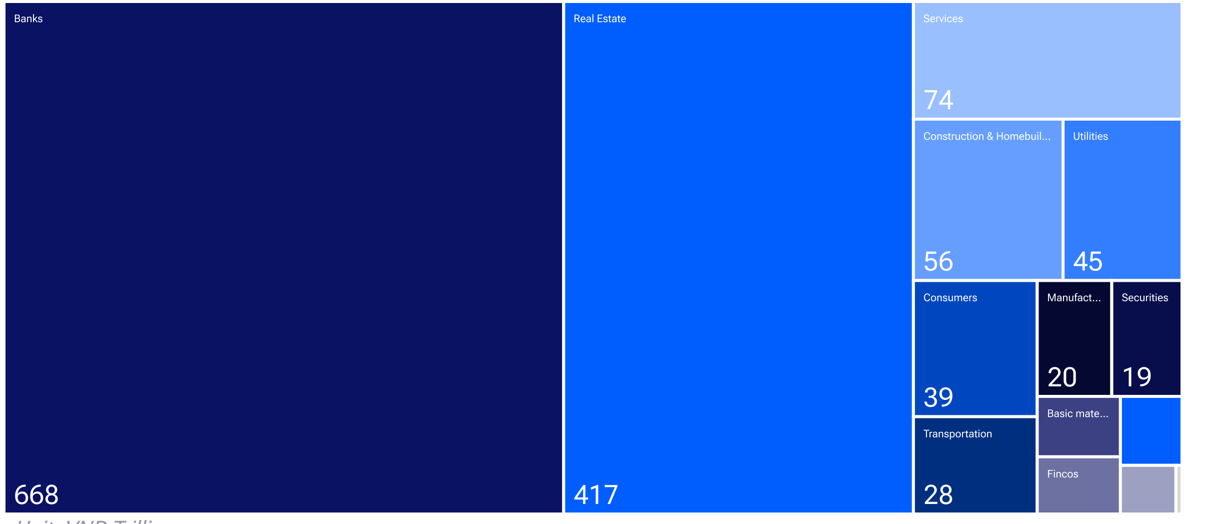
2336

Number of issuers

384

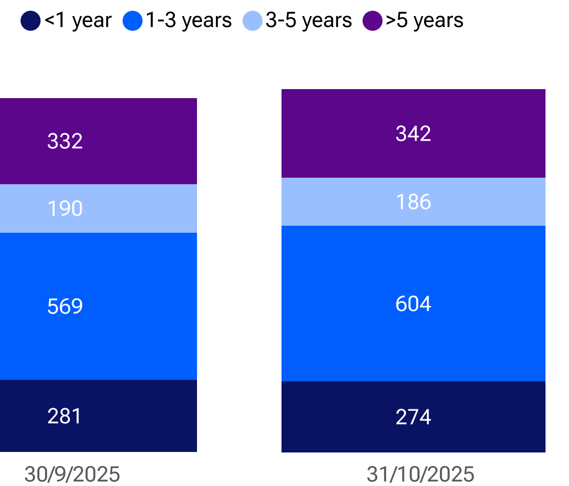
Note: Total outstanding market including defaulted bonds which pass the maturity date but haven't repaid to bondholders yet.
Source: Hanoi Stock Exchange (HNX), VIS Rating

Exhibit 3: Outstanding by sectors



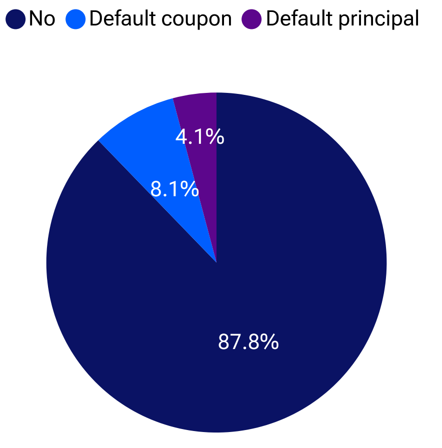
Unit: VND Trillions
Source: HNX, VIS Rating

Exhibit 4: Outstanding by bond maturity



Unit: VND Trillions
Source: HNX, VIS Rating

Exhibit 5: Outstanding by default

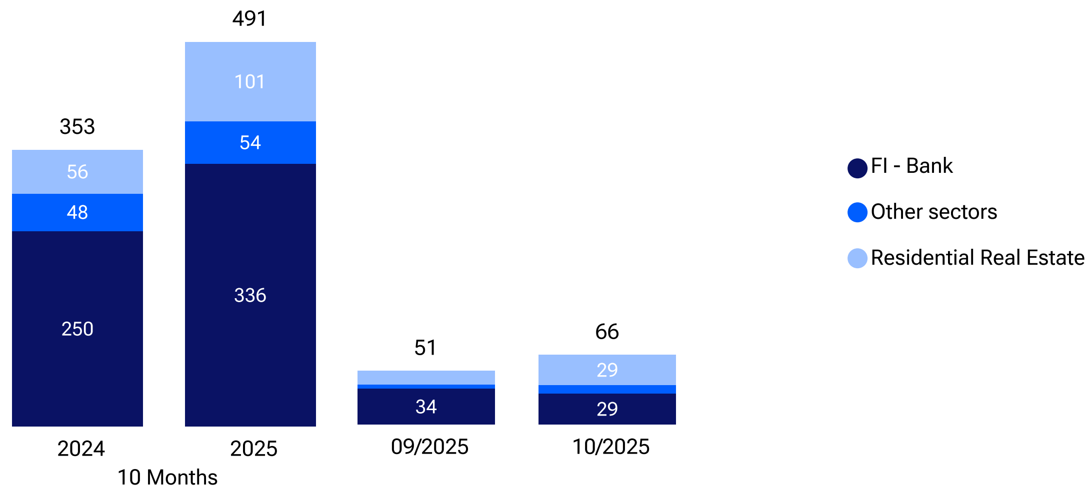


Source: HNX, VIS Rating

* Data in this report are updated as of 9 November 2025, unless stated otherwise. Detail information is available upon request.
This publication does not announce a credit rating action

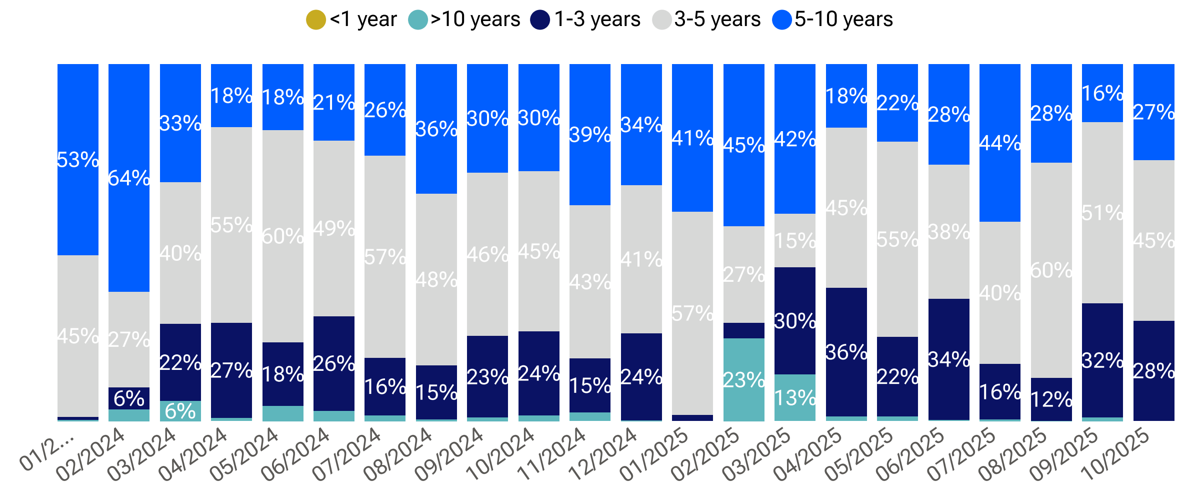
New issuances (1/2)

Exhibit 6: Monthly new issuances by sector



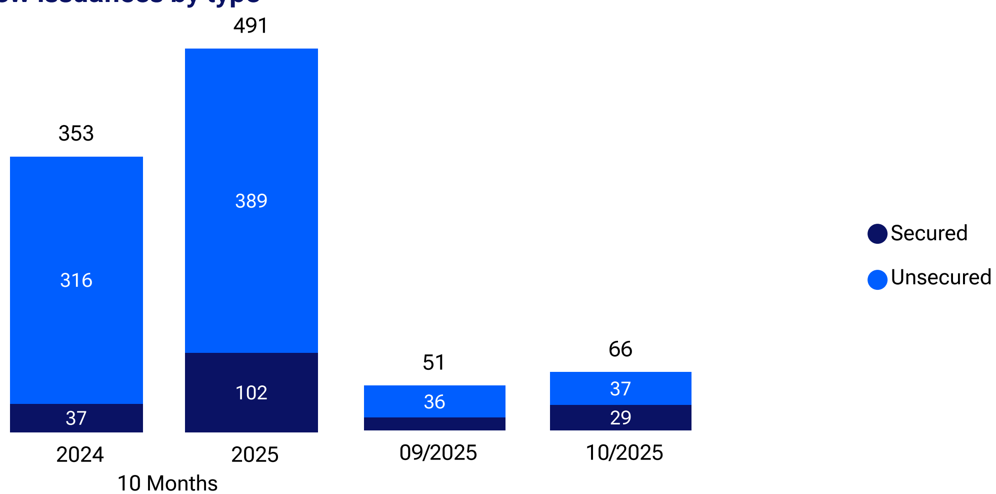
Unit: VND Trillions
Source: HNX, VIS Rating

Exhibit 7: Maturity structure of new issuances



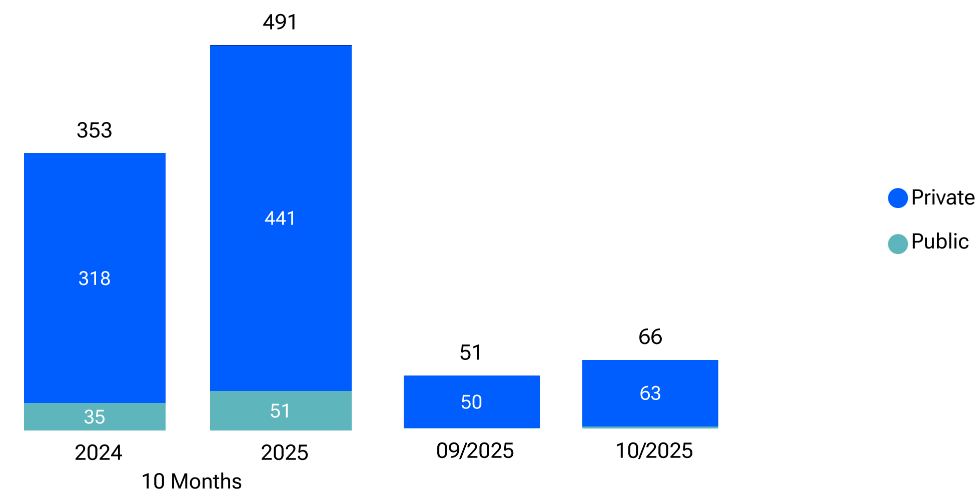
Source: HNX, VIS Rating

Exhibit 8: New issuances by type



Unit: VND Trillions
Source: HNX, VIS Rating

Exhibit 9: Public and private issuance



Unit: VND Trillions
Source: HNX, VIS Rating

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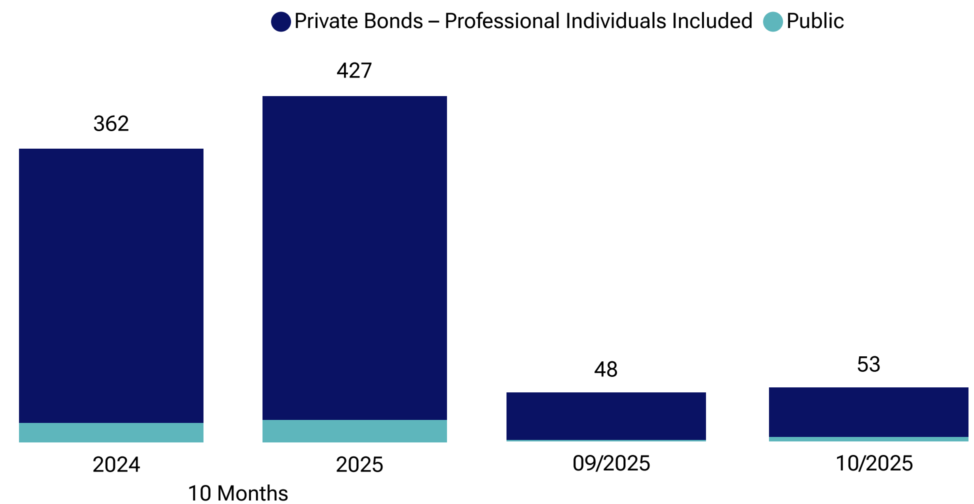
New issuances (2/2)

Exhibit 10: The largest bond issuance in October 2025

Bond code	Issuer	Event amount	Secured/ Unsecured	Senior/ Subodinated
IHP12501	HUNG PHAT INVEST HA NOI CO., LTD	7 650	Secured	Senior
NTJ12501	New Times., JSC	5 550	Secured	Senior
TRM12503	Truong Minh Real Estate Investment and Development Co., Ltd	4 500	Secured	Senior
TSO12501	Thai Son Investment and Construction JSC	4 000	Unsecured	Senior
HDR32501	Hai Dang Real Estate Development Investment Company Limited	3 800	Secured	Senior
VIB12506	Vietnam International Commercial Joint Stock Bank	3 000	Unsecured	Senior
TND12501	Tn Development Joint Stock Company.	2 950	Secured	Senior
MSB12509	Vietnam Maritime Commercial Joint Stock Bank	2 500	Unsecured	Subordinated
NTJ32502	New Times., JSC	2 500	Secured	Senior
HDB12506	Ho Chi Minh City Development Joint Stock Commercial Bank	2 000	Unsecured	Senior

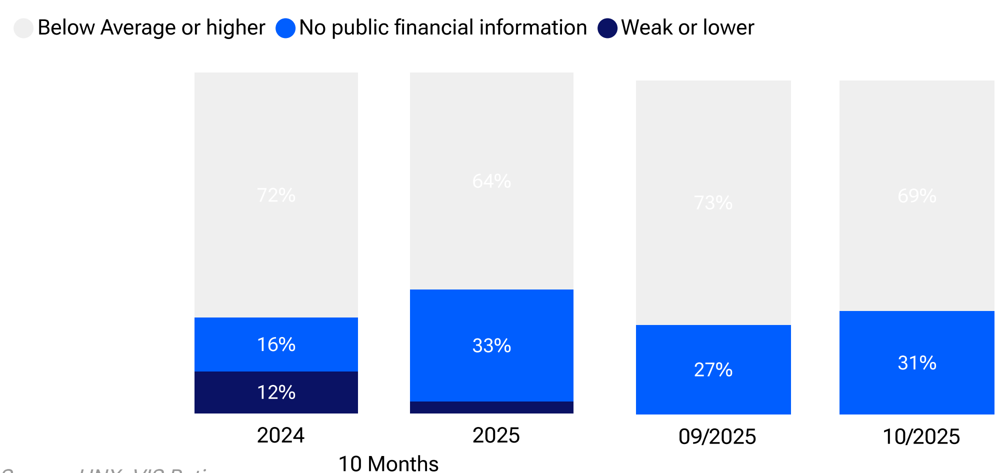
Unit: VND Billions
Source: HNX, VIS Rating

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



Source: HNX, VIS Rating

Exhibit 12: Issuers with "Weak" or lower credit profiles or no public financials



Source: HNX, VIS Rating

Exhibit 13: Percentage of issuers with weak credit characteristics

		2025 Year to date	October 2025
Financial institutions	Solvency	3%	0%
	Liquidity	3%	0%
Non - Financial Corporates	Leverage	10%	0%
	Coverage	48%	33%

Note: Numbers in the table refer to the percentage of issuers with weak characteristics denoted by the 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

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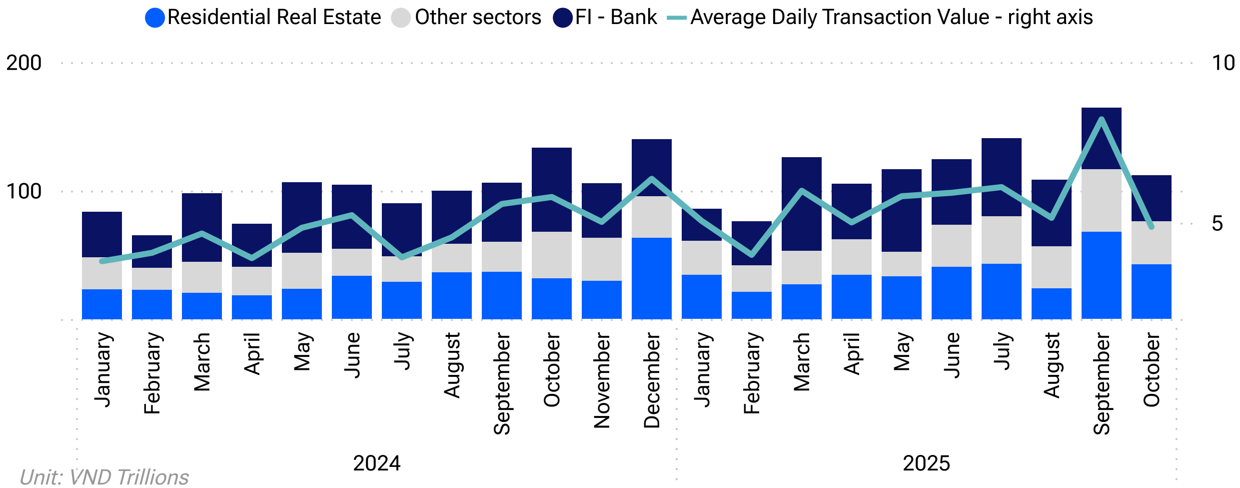
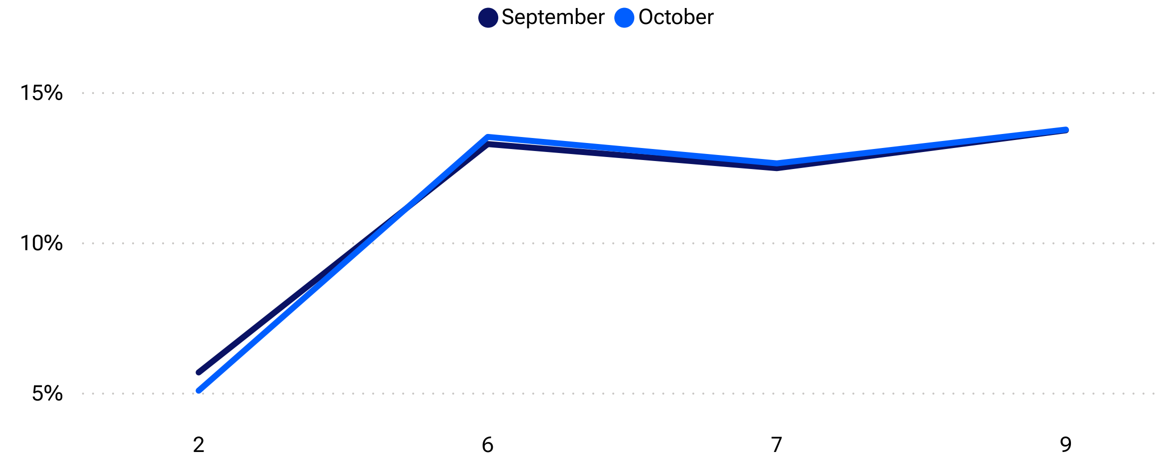
Market liquidity

Exhibit 14: Trading value in the secondary market by sectors



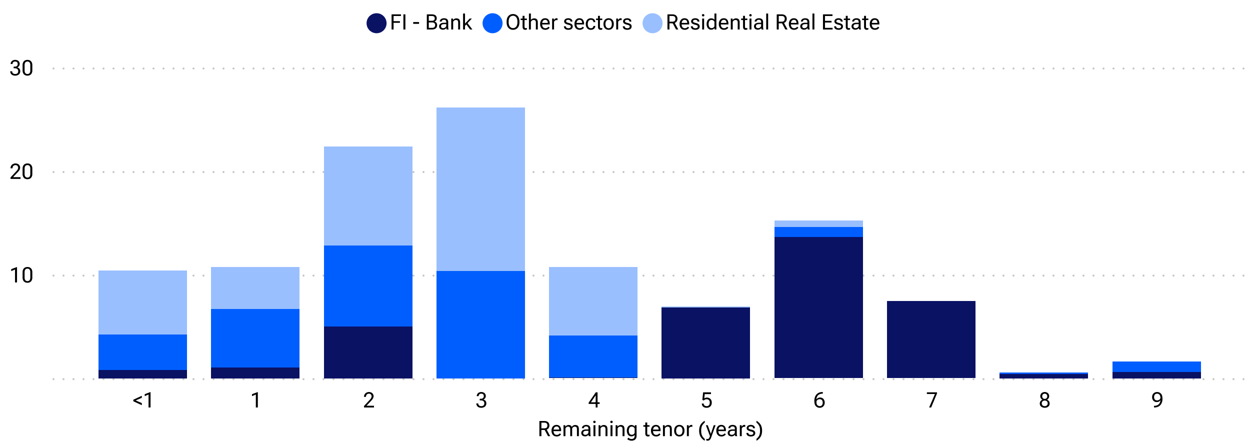
Unit: VND Trillions
Note: We calculate the daily average trading value based on the total traded value in a month, over the number of working days in a month
Source: HNX, VIS Rating

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



Unit: VND Trillions
Source: HNX, VIS Rating

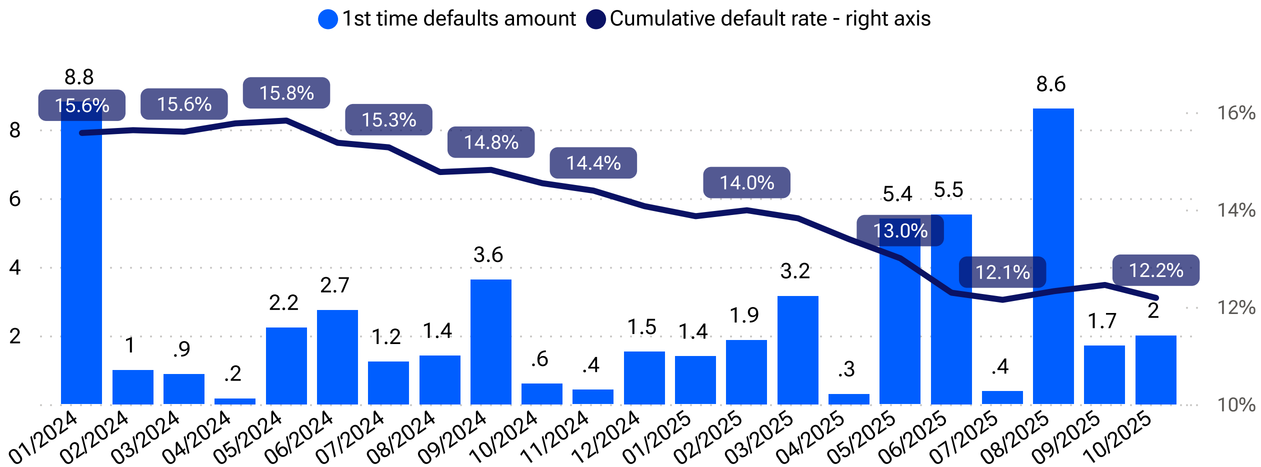
Exhibit 17: Top 10 issuers having bonds frequently traded (secondary market) in 2025

Issuer	Sector	Traded Value in 10/2025	Traded Value in 2025 YTD
Vinhomes JSC	Residential Real Estate	14 640	93 546
Ho Chi Minh City Development Joint Stock Commercial Bank	FI - Bank	13 702	123 729
NEWCO Development and Investment JSC	Residential Real Estate	6 534	11 312
Vietjet Aviation JSC	Transportation	6 321	46 351
Capitaland Tower Company Limited	Residential Real Estate	4 800	22 815
Military Commercial Joint Stock Bank	FI - Bank	4 621	30 224
Vingroup JSC	Residential Real Estate	3 763	41 374
Saigon Hanoi Commercial Joint Stock Bank	FI - Bank	3 118	19 334
Vietnam International Commercial Joint Stock Bank	FI - Bank	2 434	35 376
Truong Minh Real Estate Investment and Development Co., Ltd	Residential Real Estate	2 339	2 498

Unit: VND Billions
Source: HNX, VIS Rating

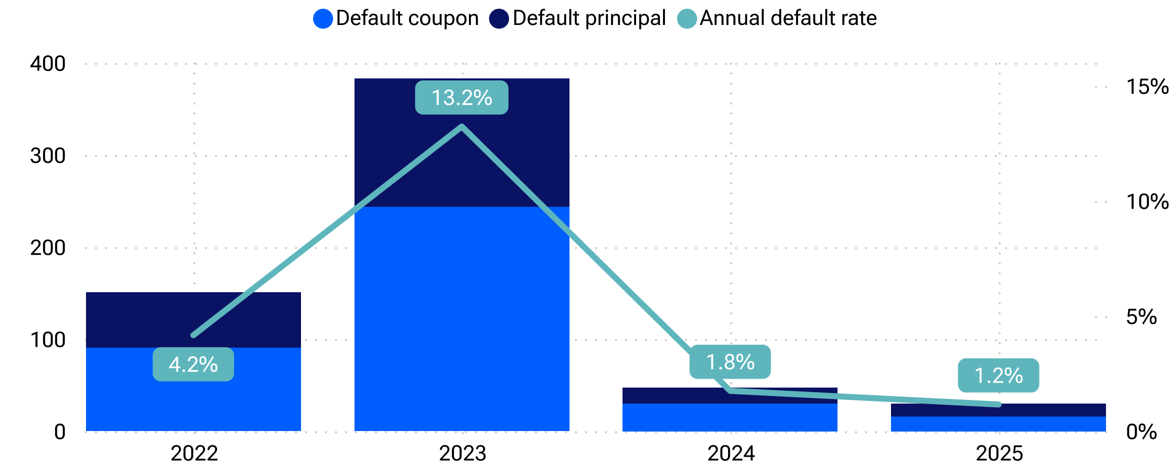
Defaults

Exhibit 18: Monthly new defaults



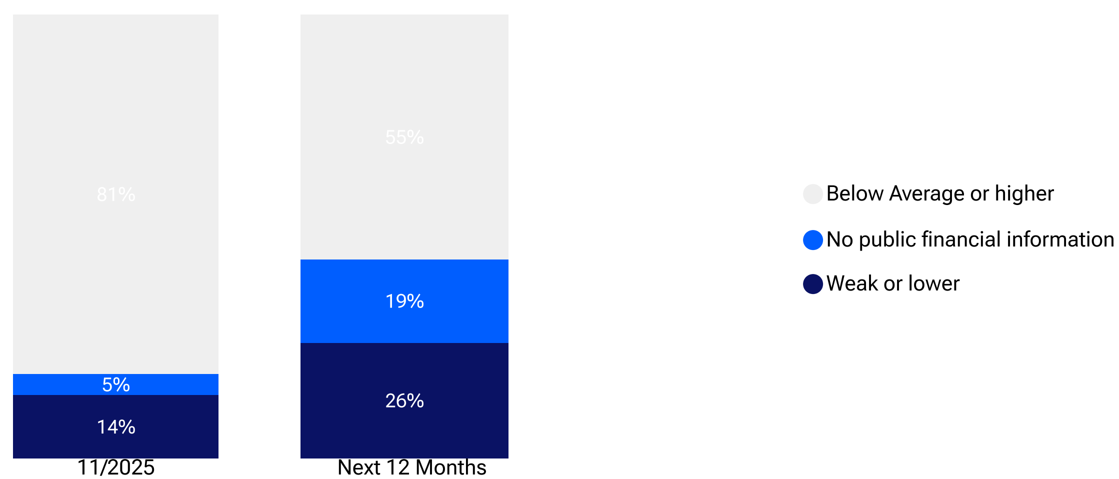
Left axis unit: VND Trillions
Note: The cumulative default rate is calculated by dividing total principal value of defaults by total outstanding value
Source: HNX, VIS Rating

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



Left axis unit: Number of bonds
Note: The number of new defaults and the number of outstanding bonds are calculated for each year
Source: HNX, VIS Rating

Exhibit 20: % number of issuers with “Weak” or lower credit profiles having bonds maturing in...



Source: HNX, VIS Rating

Exhibit 21: List of new defaults in October 2025

Issuer Name	Bond code	Default amount (VND Billions)	Default type
Saigon - Lam Dong Investment And Tourist Corporation	SLTCH2328001	1 607	Default coupon
Unity Real Estate Investment Company Limited	UNICH2124001	377	Default principal
Hoa Binh Construction Group JSC	HBCH2225002	12	Default principal

Source: HNX, VIS Rating

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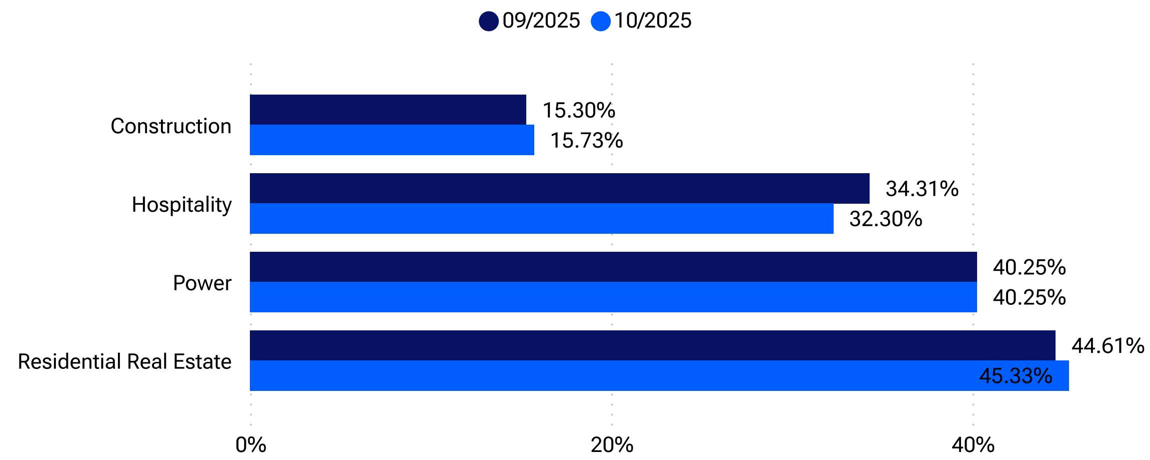
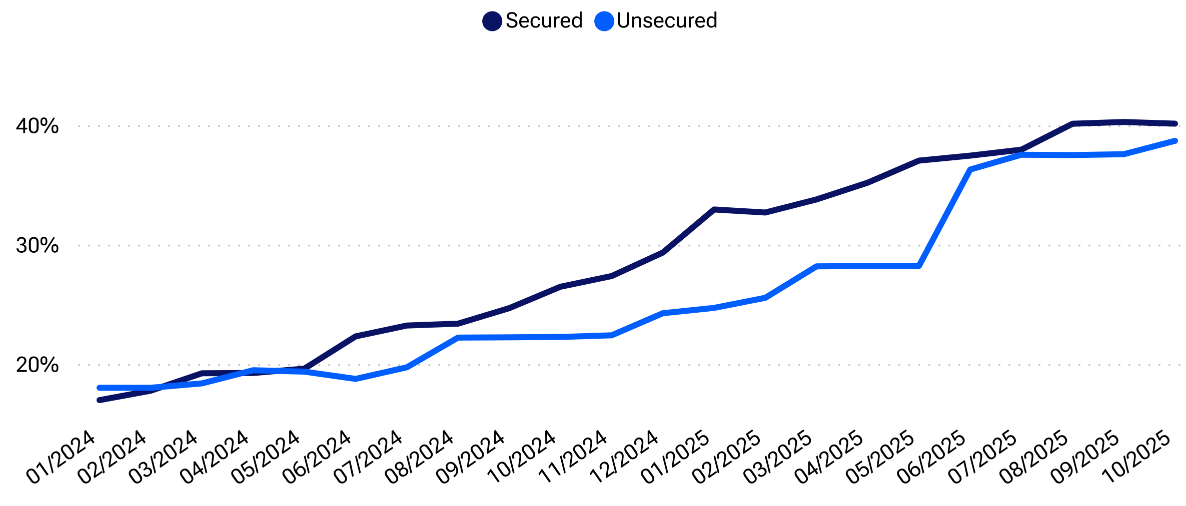
Debt Restructuring and Resolution

Exhibit 22: Recovery rate of defaulted bonds



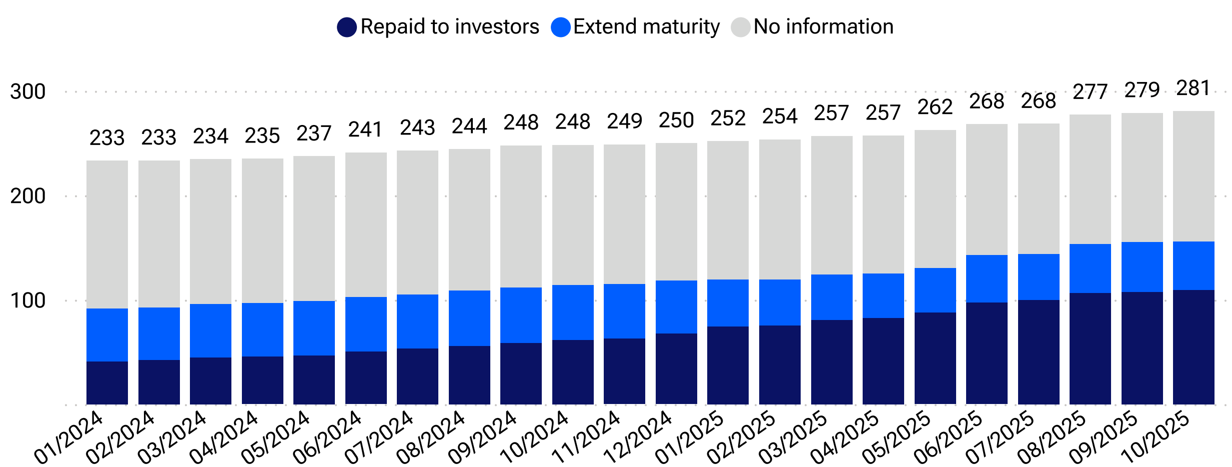
Note: We estimate the recovery rate based on the amount of principal repaid, including cases where only a partial amount has been repaid and restructuring is still ongoing, following the bond default.
Source: HNX, VIS Rating

Exhibit 23: The recovery rate by type of bonds



Source: HNX, VIS Rating

Exhibit 24: Debt restructuring actions of defaulted bonds



Unit: VND Trillions
Source: HNX, VIS Rating

Exhibit 25: Top defaulted issuers resolved in October 2025

Issuer Name	Sector	Monthly Repaid Cash by Issuer	Total outstanding bond after resolution
Dragon Village Real Estate Joint Stock Company	Residential Real Estate	500	0
Century Land JSC	Residential Real Estate	353.5	0
Technical Investment Joint Stock Company	Residential Real Estate	290.7	359
Sunshine Business Commercial Investment Joint Stock Company	Construction	94.9	0
Hung Thinh Investment Joint Stock Company	Residential Real Estate	92.6	2 193
Sunshine Marina Nha Trang Joint Stock Company	Hospitality	41.2	9
Hoang Quan Consulting-Trading-Service Real Estate Corporation	Residential Real Estate	34	432
Thaituan Group Joint Stock Company	Retail & Wholesale	13.9	673
Unity Real Estate Investment Company Limited	Residential Real Estate	5.1	899

Unit: VND Billions
Source: HNX, VIS Rating

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