

## Credit Insights

# U.S. and Israel Attacks on Iran Heighten Energy, FX, and Financing Pressures on Corporate Credit

The U.S. and Israel's attacks on Iran starting from 28 February 2026 and Iran's subsequent retaliation have lifted global oil and gas prices, heightened the risk of disruption in the Strait of Hormuz and increased investor risk aversion. In the assumed context of escalated and prolonged tension, credit impacts for Vietnam are transmitted mainly through higher energy and logistics costs, rising inflation and FX pressures, and potentially tighter financing conditions, rather than direct trade route disruption (Exhibit 1). These forces are credit negative for downstream oil and gas companies, fuel- and energy-intensive businesses, export-oriented firms, and highly leveraged sectors, with outcomes hinging on the duration of global energy supply disruption.

## Higher energy prices weigh on costs and inflation

Vietnam's reliance on imported fuel exposes manufacturers to potential supply disruption and higher oil and gas prices. Annual imports of around USD 20 billion in crude oil, gasoline, and related products (Exhibit 2), combined with heavy reliance on Middle East suppliers for crude oil (80%) and liquefied gas (15%), make supply vulnerable and cost structures sensitive to price shocks. Prolonged armed conflict in the region would pose significant supply-shortage risks for domestic refineries, as Nghi Son depends largely on imported crude while Dung Quat sources 30–35% of feedstock from abroad, forcing both plants to seek alternative supplies to maintain operations.

Elevated fuel costs are likely to feed through transportation, industrial activity, and power generation, adding to cost-push inflation and pressuring margins in fuel- and energy-intensive sectors with limited pricing power.

## Export exposure driven by logistics costs, not route disruption

Vietnam faces limited direct trade route disruption, as key export corridors to the U.S. and EU bypass the conflict zone and regional supply routes remain intact. However, higher bunker fuel prices, insurance costs, and vessel delays have pushed up global shipping costs.

Credit exposure is concentrated among export-oriented manufacturers with low unit values, including textiles and garments, seafood, and furniture, where logistics costs account for a meaningful share of shipment value. Marine freight represents an estimated of about 10% of export value in textiles and up to 20–30% for furniture shipments. Higher freight costs are likely to be passed through to end market prices, weighing on demand, order visibility, and near-term revenue prospects for Vietnamese exporters.

## FX pressure and tighter financial conditions

Higher global energy prices and shipping costs raise U.S. inflation risks and may delay the Federal Reserve's easing cycle, supporting a stronger USD. This places persistent depreciation pressure on the VND, increasing FX risk for Vietnamese corporates with USD-denominated liabilities.

Exposure is highest among power and water utilities (including PGV, PC1, BGE, and BWE) and airlines (HVN and VJC), which combine USD debt with USD-linked operating costs such as fuel, aircraft leases, and maintenance. Sustained FX volatility would weaken debt service capacity and credit profiles where hedging is limited.

## Refinancing risk for leveraged sectors

Elevated FX and inflation risks could prompt tighter domestic monetary conditions, including higher interest rates and stricter liquidity management. This would raise funding costs and refinancing risk, particularly for highly leveraged real estate and infrastructure issuers with weak interest coverage ratios and elevated near term maturities.

## CONTACTS

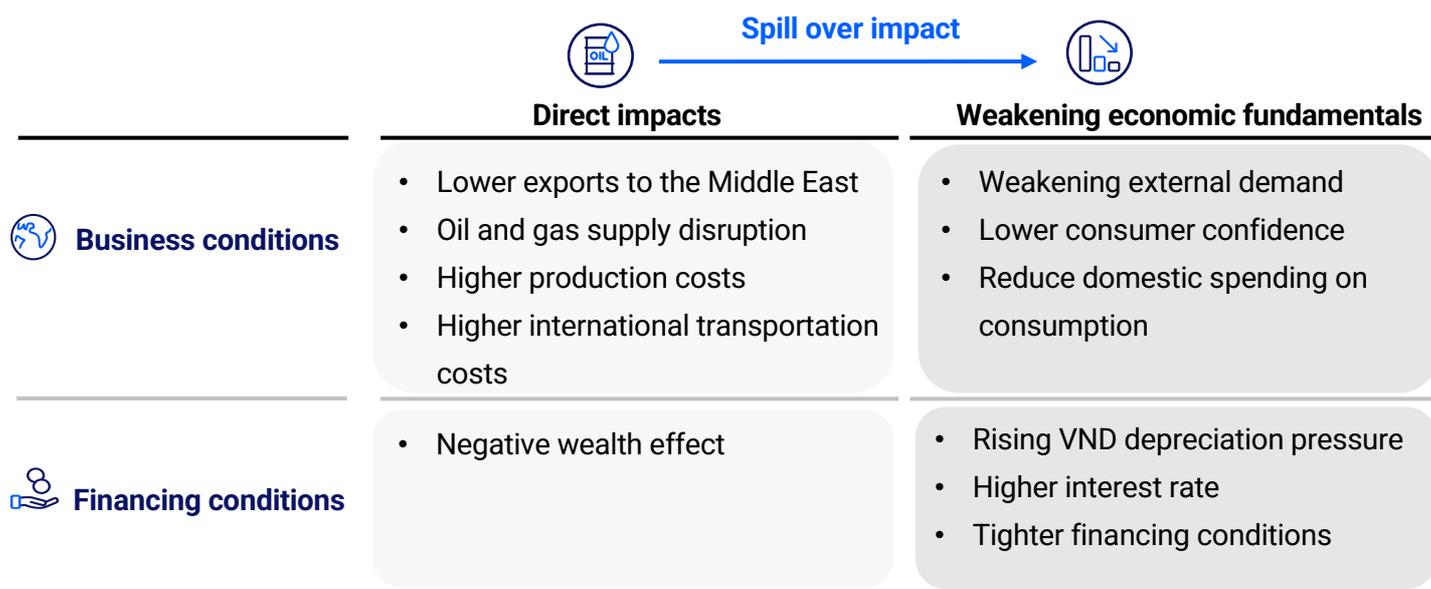
**Nguyen Thi Kieu Hanh***Sector Lead Analyst*[hanh.nguyen@visrating.com](mailto:hanh.nguyen@visrating.com)**Nguyen Dinh Duy, CFA***Director – Senior Analyst*[duy.nguyen@visrating.com](mailto:duy.nguyen@visrating.com)**Simon Chen, CFA***Head of Ratings & Research*[simon.chen@visrating.com](mailto:simon.chen@visrating.com)<https://visrating.com>

### Credit outlook and key sensitivities

A prolonged disruption to global energy supply would weaken Vietnam’s macroeconomic outlook and complicate delivery of its 2026 growth target, as higher energy costs, softer external demand, and tighter financial conditions reinforce one another. Vietnam’s position as a stable geopolitical manufacturing hub could partially offset these pressures by supporting incremental FDI inflows and easing FX stress over the medium term.

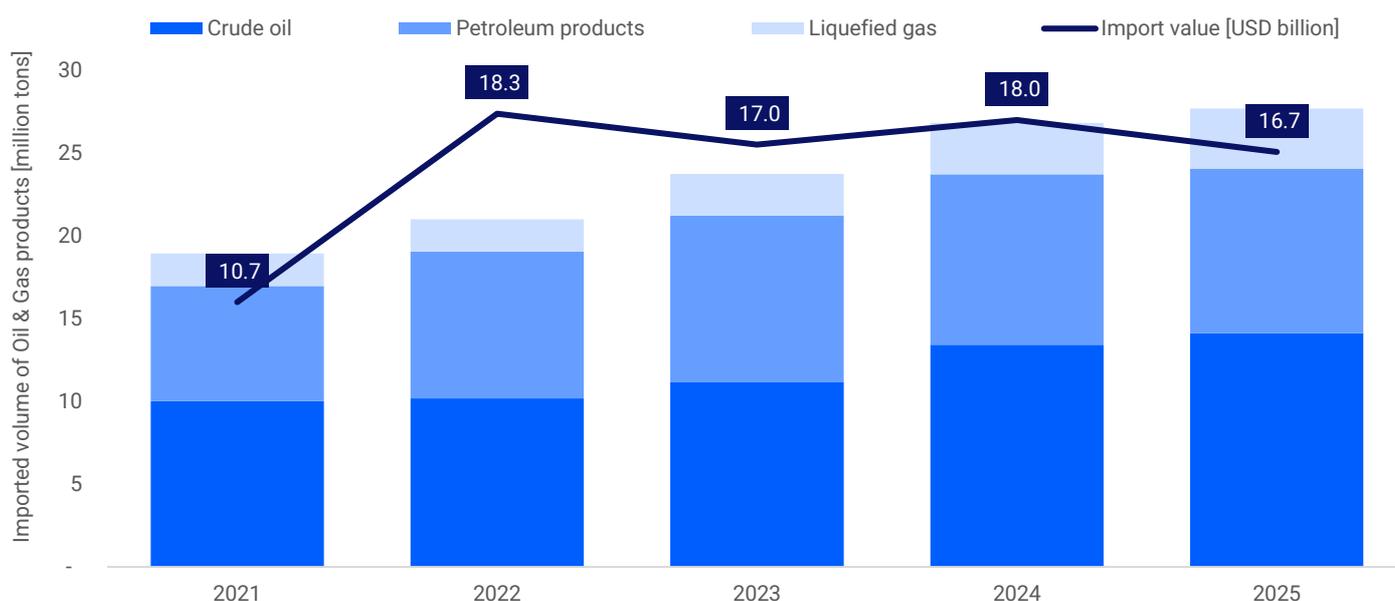
Overall, the shock reinforces a negative credit bias for downstream oil and gas companies, fuel- and energy-intensive businesses, export-oriented firms, and leveraged sectors. The duration and severity of energy market disruption are the key downside sensitivities for credit conditions.

**Exhibit 1: Impacts of U.S. and Israel Attacks on Iran on Vietnam**



Source: VIS Rating

**Exhibit 2: Vietnam imports around USD 20 billion in crude oil, gasoline, and liquefied gas each year, underscoring its exposure to external energy price and supply risks**



Sources: Vietnam Customs, VIS Rating

© 2026 Vietnam Investors Service And Credit Rating Agency Joint Stock Company (“Công Ty Cổ Phần Xếp Hạng Tín Nhiệm Đầu Tư Việt Nam” in Vietnamese) (“VIS Rating”). All rights reserved.

Moody's holds a 49% ownership stake in VIS Rating. A Technical Services Agreement is in place between the two companies, under which Moody's provides certain services, including technical assistance, to VIS Rating. However, Moody's is not involved in any particular VIS Rating credit rating or research processes. This report and the opinions expressed herein represent the independent views of VIS Rating and should not be attributed to any Moody's entities, directors, officers, or employees.

#### DISCLAIMER

CREDIT RATINGS ISSUED BY VIS RATING ARE OUR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, DEBT OR FINANCIAL OBLIGATIONS, DEBT SECURITIES, PREFERRED SHARES OR OTHER FINANCIAL INSTRUMENTS OR OF ISSUER OF SUCH DEBTS OR FINANCIAL OBLIGATIONS, DEBT SECURITIES, PREFERRED SHARES OR OTHER FINANCIAL INSTRUMENTS IN VIETNAM AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY VIS RATING (COLLECTIVELY, “PUBLICATIONS”) MAY INCLUDE SUCH CURRENT OPINIONS. VIS RATING DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE VIS RATING'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY VIS RATING'S CREDIT RATINGS. APART FROM FUNDAMENTAL RISKS NEEDED TO BE ASSESSED AS REQUIRED UNDER THE VIETNAMESE LAW (INCLUDING DECREE 88/2014 DATED 26 SEPTEMBER 2014 OF THE GOVERNMENT) ON CREDIT RATING SERVICES FROM TIME TO TIME, CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS (“ASSESSMENTS”), AND OTHER OPINIONS INCLUDED IN VIS RATING'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE FOR REFERENCES ONLY AND DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO INVEST INTO, CONTRIBUTE CAPITAL, PURCHASE, SELL, OR HOLD PARTICULAR DEBT INSTRUMENTS OR FINANCIAL INSTRUMENTS. VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. VIS RATING ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY OR DEBT INSTRUMENTS THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY NON-PROFESSIONAL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR NON-PROFESSIONAL INVESTORS TO USE VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN (INCLUDING INFORMATION OF VIS RATING AND/OR THIRD PARTIES WHO LICENSE VIS RATING TO INCORPORATE THE INFORMATION HEREIN (“VIS RATING'S LICENSORS”)) IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT PRIOR WRITTEN CONSENT OF VIS RATING OR VIS RATING'S LICENSORS. VIS RATING'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by VIS Rating from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided “AS IS” without warranty of any kind. VIS Rating adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources VIS Rating considers to be reliable including, when appropriate, independent third-party sources. However, VIS Rating is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, VIS Rating and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if VIS Rating or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by VIS Rating.

To the extent permitted by law, VIS Rating and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, VIS Rating or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY VIS RATING IN ANY FORM OR MANNER WHATSOEVER.

VIS RATING MAY MAKE MODIFICATIONS AND/OR CHANGES TO ITS PUBLICATION AT ANY TIME, FOR ANY REASON. HOWEVER, VIS RATING UNDERTAKES NO OBLIGATION (NOR DOES IT INTEND) TO PUBLICLY SUPPLEMENT, UPDATE OR REVISE ITS PUBLICATION ON A GOING-FORWARD BASIS. YOU ASSUME THE SOLE RISK OF MAKING USE OF AND/OR RELYING ON VIS RATING'S ASSESSMENTS, OTHER OPINIONS AND PUBLICATION.

VIS Rating maintains policies and procedures to address the independence of VIS Rating's credit ratings and credit rating processes. Information regarding, among others, entities holding more than 5% of the contributed charter capital of VIS Rating, any change to the shareholding ratios of entities holding more than 5% of the contributed charter capital of VIS Rating and a list of rated entities with a credit rating service charge accounting for over 5% of VIS Rating's total revenue from credit rating activities in the fiscal year prior to the time of information disclosure, are posted at <https://visrating.com/> under the heading “Corporate Disclosure”.



Empowering Better Decisions