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## Abbreviations

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<th>Full Form</th>
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<tr>
<td>ACV</td>
<td>Airways Corporation of Vietnam</td>
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<tr>
<td>SBV</td>
<td>The State Bank of Vietnam</td>
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<tr>
<td>RE</td>
<td>Real estate</td>
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<tr>
<td>PVN</td>
<td>Petro Vietnam</td>
</tr>
<tr>
<td>BMI</td>
<td>Business Monitor International</td>
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<tr>
<td>VNAT</td>
<td>Vietnam National Administration of Tourism</td>
</tr>
<tr>
<td>MPI</td>
<td>Ministry of Planning and Investment</td>
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<tr>
<td>GDVC</td>
<td>General Department of Vietnam Customs</td>
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<tr>
<td>MOC</td>
<td>Ministry of Construction</td>
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<td>GSO</td>
<td>General Statistics Office of Vietnam</td>
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<tr>
<td>ENR</td>
<td>Engineering News-Record</td>
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<tr>
<td>VIRAC</td>
<td>Vietnam Industry Research and Consultant</td>
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<tr>
<td>EVN</td>
<td>Vietnam Electricity Corporation</td>
</tr>
<tr>
<td>VNREA</td>
<td>Vietnam Real Estate Association</td>
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<tr>
<td>FIA</td>
<td>Foreign Investment Agency</td>
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<tr>
<td>WSA</td>
<td>World Steel Association</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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</table>
The United States and Japan are the two countries with the world’s leading machine-building industry,

Construction machinery imports continue to be vibrant in 2017.

China has a large share not only in the global construction industry but also in Asia, so China’s influence on the regional construction market is very huge.
Becoming an export-oriented economy with export turnover accounting for a significant portion of xxx% of nominal GDP, Vietnam is attracting a large and growing number of foreign investment.
The lack of synchronous and slow development of transport infrastructure is the reason why Vietnam's logistics costs always account for a high proportion of GDP.

The Airway system in Vietnam is mostly operating under capacity,
Executive summary

Typical construction enterprises belong to 3 following groups:

Content is deleted for demo purpose
1. Business environment

1.1 Macroeconomic situation

1.2 Legal framework
1. Business environment

1.1 Macroeconomic situation

The share of the Construction sector contributing to GDP had increased continuously from 2013 to 2016, but the growth rate was quite slow.

Source: VIRAC, GSO
1. Business environment
1.1 Macroeconomic situation

According to statistics, Vietnam has about 40% of roads in the transport system of low and very low quality.

The VND/USD exchange rate has remained quite stable.

Construction Value and Infrastructure, 2010-2022f

VND/USD exchange rate, 2013-2018

Source: VIRAC, SBV
1. Business environment

1.1 Macroeconomic situation

Foreign Direct investment

Some major projects were licensed in the first 6 months of 2018:
As the demand for capital for development grows but national budget for this purpose is limited, the attraction and effective use of ODA resources becomes increasingly urgent.

Source: VIRAC, MOPI
1. Business environment

1.1 Macroeconomic situation

1.2 Legal framework
1. Business environment
1.2 Legal framework

Decree No. 64/2012 / ND-CP on construction permit:

Bidding Law 2013 and Decree No. 63 on Bidding:

Real estate market stimulus policy:
1. Business environment
1.2 Legal framework

Construction Law (amended) 2014:
The Law on Real Estate Business, effective from 1 July 2015, has some notable changes as follows:
On April 4, 2017, the Ministry of Construction issued Decision 235/QD-BXD on the announcement of estimated construction cost - Construction (amended and supplemented) for agencies, organizations and related individuals using in defining and managing construction investment costs.
1. Business environment
1.2 Legal framework
On September 20, 2017, the Ministry of Construction issued Decision No 964/QĐ-BXD
1. Business environment
1.2 Legal framework
1. Business environment

1.2 Legal framework
1. Business environment
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1. Business environment
1.2 Legal framework
1. Business environment

1.2 Legal framework
## 2. Industry overview

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<td>2.1</td>
<td>Global construction market</td>
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<td>2.2</td>
<td>Vietnam construction market</td>
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<td>2.3</td>
<td>Driving forces of the industry</td>
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<tr>
<td>2.4</td>
<td>Planning and Forecast</td>
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</table>
China has the highest growth rate in the world from 2000 to 2014, followed by India.

Source: VIRAC, IMF

Structure of total real estate assets by region in 2015

Source: VIRAC, ENR
2. Industry overview

2.1 Global construction market – 2.1.1 Scale and characteristics of world construction industry

Value of World’s Construction industry, 2016-2022f

Average contribution ratio of construction industry on the world, 2016-2022f

Source: VIRAC, IMF

Source: VIRAC, ENR
China and the United States are the two largest countries in the world construction industry, and this trend is expected to continue in 2020.
2. Industry overview
2.1 Global construction market – 2.1.1 Scale and characteristics of world construction industry

<table>
<thead>
<tr>
<th>No</th>
<th>Company</th>
<th>Nation</th>
<th>Revenue (USD billion)</th>
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</table>

*Source: VIRAC*
2. Industry overview
2.1 Global construction market – 2.1.1 Scale and characteristics of world construction industry

<table>
<thead>
<tr>
<th>No</th>
<th>Company</th>
<th>Nation</th>
<th>Revenue (USD billion)</th>
<th>International sales (USD billion)</th>
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</table>

Source: VIRAC, ENR
2. Industry overview
2.1 Global construction market – 2.1.1 Scale and characteristics of world construction industry

Recovery of the global construction sector in 2016

Source: VIRAC, ENR
2. Industry overview
2.1 Global construction market – 2.1.2 Scale and characteristics of regional construction industry

Value of Asia’s construction industry, 2013 - 2019f

USD billion

Construction value structure in Asia in 2014

Source: VIRAC, BMI

Source: VIRAC, HIS Global Insight
2. Industry overview

2.1 Global construction market – 2.1.2 Scale and characteristics of regional construction industry

Value structure of Asia’s construction market in 2014

Content is deleted for demo purpose

Source: VIRAC, HIS Global Insight
2. Industry overview

2.1 Global construction market

2.2 Vietnam construction market

2.3 Driving forces of the industry

2.4 Planning and Forecast
2. Industry overview
2.2 Vietnam construction market – 2.2.1 Vietnam construction industry overview – History of the industry

Vietnam construction industry overview

1. Before 1975

2. The period 1976 – 1985:

3. The period 1986 – 1990:
4. The period 1991 – 2000

5. The period from 2000 to present

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2. Industry overview

2.2 Vietnam construction market – 2.2.1 Vietnam construction industry overview – Value chain of the industry

Value chain of construction industry
The development of the construction industry highly depends on economic growth and macroeconomic policies.

2. Industry overview

2.2 Vietnam construction market – 2.2.1 Vietnam construction industry overview – Industry scale and characteristics

Source: VIRAC, GSO
2. Industry overview

2.2 Vietnam construction market – 2.2.1 Vietnam construction industry overview – Industry scale and characteristics

Construction industry value, 2012-6M/2017

Share of economic sectors in the construction industry, 6M/2017

Source: VIRAC, MOC, GSO
2. Industry overview
2.2 Vietnam construction market – 2.2.2 Construction activities

The construction process usually consists of four main phases:

Architectural design

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Bidding
2. Industry overview

2.2 Vietnam construction market – 2.2.2 Construction activities

Building the foundation

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2.2 Vietnam construction market – 2.2.2 Construction activities

Raw building

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2. Industry overview
2.2 Vietnam construction market – 2.2.2 Construction activities

Construction cost

Structure of construction cost

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# Construction cost in some major cities in ASEAN region, Q4 / 2016

<table>
<thead>
<tr>
<th>City</th>
<th>Cost Index 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hanoi</td>
<td>100</td>
</tr>
<tr>
<td>Ho Chi Minh</td>
<td>120</td>
</tr>
<tr>
<td>Da Nang</td>
<td>110</td>
</tr>
<tr>
<td>Vung Tau</td>
<td>105</td>
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<tr>
<td>Nha Trang</td>
<td>115</td>
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<table>
<thead>
<tr>
<th>City</th>
<th>Electricity (USD/kWh)</th>
<th>Water (USD/m³)</th>
<th>Fuel (USD/liter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ho Chi Minh City</td>
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<tr>
<td>Bangkok</td>
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<td>Brunei</td>
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<tr>
<td>Seoul</td>
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Source: VIRAC, Langdon & Seah
Vietnam's economy is on a growth trajectory in terms of GDP and other economic indicators. Personal income and family expenses are gradually improving which also has a positive impact on the retail real estate market.
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Retail market

Retail market – Hanoi

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Typical projects are scheduled for 2019-2020

<table>
<thead>
<tr>
<th>Ongoing projects</th>
<th>Area (m²)</th>
<th>Completion time</th>
<th>Location</th>
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<tr>
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</table>

Source: VIRAC, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Retail market

Supply structure by region, Q4/2018

Vacancy rate and rental price, Q4/2018

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Source: VIRAC, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Retail market
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Retail market

Retail market – *Ho Chi Minh City*

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Source: VIRAC, VNREA

Retail supply structure by region, Q4/2018

Source: VIRAC, VNREA
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Retail market

Typical projects are scheduled for 2019-2020

Vacancy rate and rental price, Q4/2018

VND/m²/month

Source: VIRAC, VNREA
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Retail market

Total supply of commercial centers, 2007-2018

Source: VIRAC, VNREA

Rental price and vacancy rate of commercial centers, 2009-2018

Source: VIRAC, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Retail market

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Office market

Office market – Hanoi

**New supply and vacancy rate of grade A offices, 2010-2018**

*Source: VIRAC, VNREA*

**Total supply by region, Q4/2018**

*Source: VIRAC, VNREA*
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2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Office market
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2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Office market

**Office market – Ho Chi Minh City**

**Office supply and vacancy rate, Q1/2016-Q4/2018**

Source: VIRAC, VNREA

**Total supply and rental price by category, Q4/2018**

Source: VIRAC, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Office market

### Typical projects under construction

<table>
<thead>
<tr>
<th>Ongoing projects</th>
<th>Area (m²)</th>
<th>Class</th>
<th>Completion time</th>
<th>Location</th>
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*Source: VIRAC, VNREA*

### Office rental price, Q1/2016-Q4/2018

<table>
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<tr>
<th>USD/ m²/ month</th>
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*Source: VIRAC, VNREA*
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Office market

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for rent

Apartment for rent

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for rent

Apartment rental price by category, Q1/2015-Q4/2018
USD/m²/month

Total Supply by Category, 2005-2018

Source: VIRAC, VNREA

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Source: VIRAC, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for rent

Apartment rental price and rental capacity, Q1/2015-Q4/2018

Source: VIRAC, VNREA

Typical Serviced Apartments in Hanoi, 2019

Source: VIRAC
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for rent

**Apartment for rent – Ho Chi Minh City**

![Bar chart showing the total supply of apartments for rent, Q1/2015-Q4/2018](chart)

**Typical projects under construction in 2019**

*Source: VIRAC, VNREA*

---

*Source: VIRAC, VNREA*
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for rent

![Graph showing apartment rental prices by class, Q4/2016-Q4/2018](#)

**Source:** VIRAC, VNREA
Content is deleted for demo purpose
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for sale

Apartment for sale – Hanoi

Housing supply in Hanoi, 2008-2018

Source: VIRAC, VNREA

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Selling price of the primary and secondary market show a sign of restoring market.

Price fluctuation of apartment for sale, Q1/2011 – Q4/2018

Source: VIRAC, VNREA
Typical projects are projected to complete

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for sale

Apartment for sale – Ho Chi Minh City

New supply and number of apartments sold, 2013-2018

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Source: VIRAC, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for sale

**Offer price for apartment in Ho Chi Minh City, Q1/2016 – Q4/2018**

[Graph showing price trends]

**High-end apartment segment’s price, 2010-2018**

[Graph showing price trends]

*Source: VIRAC, VNREA*
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for sale

Typical projects are open for sale

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Source: VIRAC tổng hợp, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Apartment for sale

Structure of buying houses by purpose in HCM, 2016

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Lending rates of commercial banks, Q4/2018

Source: VIRAC, VNREA

Source: VIRAC
Villa and townhouse market

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Villa and townhouse market

Villa and townhouse market - Hanoi

Total villa/townhouse supply, Q1/2015-Q4/2018

Price fluctuation of villas and townhouses, Q1/2014-Q4/2018

Source: VIRAC, VNREA
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Villa and townhouse market

Typical projects are open for sale

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Source: VIRAC
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.1 Residential Houses – Villa and townhouse market

Villa and townhouse market - Ho Chi Minh City

Total villa/townhouse supply, Q1/2016- Q4/2018

Source: VIRAC, VNREA
### Typical projects are open for sale

<table>
<thead>
<tr>
<th>Project</th>
<th>Investor</th>
<th>Location</th>
<th>Completion time</th>
<th>Number of apartments</th>
<th>Selling price (USD/m²)</th>
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*Source: VIRAC*
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Hotel market

Hotel market

Forecast:

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Hotel market

Hotel market – Hanoi

Content is deleted for demo purpose

Source: VIRAC, VNREA
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Hotel market

Hotel market – Ho Chi Minh City
Hotel total supply, Q1/2016 – Q4/2018

Rental price and capacity, Q4/2018

Average rental price and capacity, Q1/2017-Q4/2018

Source: VIRAC, VNREA
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Industrial zone market

Industrial zone market

Content is deleted for demo purpose
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Industrial zone market

Industrial zone market – Hanoi

Total Supply by Region, Q4/2018

Source: VIRAC, VNREA

Rental price by area, Q4/2018

Source: VIRAC, VNREA
## 2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Industrial zone market

### Typical projects in the period 2018-2020

<table>
<thead>
<tr>
<th>Ongoing projects</th>
<th>Area (ha)</th>
<th>Location</th>
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</table>

*Source: VIRAC, VNREA*
2. Industry overview

2.2 Vietnam construction market – 2.2.3.2 Non-residential Houses – Industrial zone market

Total supply and vacancy rate of Northern Industrial Zone, Q4/2018

Average rental price for the Northern Industrial Zone, Q4/2018

Source: VIRAC, VNREA
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Industrial zone market

Industrial zone market – Ho Chi Minh City

- Total supply and vacancy rate, Q4/2018

- Rental price by area, Q4/2018

Source: VIRAC, VNREA
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Industrial zone market

Typical projects in the period 2018-2025

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Vacancy rate, 2011-2018

Source: VIRAC, VNREA
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.2 Non-residential Houses – Industrial zone market

There is a continuous increase in demand
Content is deleted for demo purpose
The Government submits to the National Assembly four national key projects that should be prioritized allocation of capital, preparation of investment from 12/2016 to 2020, to create momentum for national socio-economic development.

<table>
<thead>
<tr>
<th>Project</th>
<th>Investment value</th>
<th>Scale</th>
<th>Capital source</th>
</tr>
</thead>
</table>

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Current status of transport infrastructure

Quality of Infrastructure in Vietnam, 2011-2017

Source: VIRAC, World Economic Forum

Infrastructure Rank by Country, 2017

Source: VIRAC, World Bank
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure

Roadway:

<table>
<thead>
<tr>
<th>Roadway infrastructure, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source: VIRAC, Ministry of Construction</td>
</tr>
</tbody>
</table>
### 2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure

#### Railway:

<table>
<thead>
<tr>
<th>Year</th>
<th>Value 1</th>
<th>Value 2</th>
<th>Value 3</th>
<th>Value 4</th>
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<tr>
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<td>2015</td>
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</tbody>
</table>

*Source: VIRAC, Ministry of Construction*
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure

Seaway:

Inland waterway:

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Airway:
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Non-synchronous and slow development of transport infrastructure is the reason why logistic cost of Vietnam is always high.

Percentage of logistic costs in 2016 GDP of Vietnam compared to other countries

Investment capital for various types of transportation, 2010 - 2015

Source: VIRAC, GSO
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure

![LPI of Vietnam, 2010 - 2018](chart)

Source: VIRAC, World Bank

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Content is deleted for demo purpose
2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure – Roadway

Reasons leading to high costs of road construction:

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2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure – Roadway

The outstanding balance of BOT and BT credit of the banking system, 2014

– 9M/2017

Billion

Source: VIRAC

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Projects is expected to complete in 2018:

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### Major seaports in Vietnam

<table>
<thead>
<tr>
<th>No</th>
<th>Seaport</th>
<th>Characteristics</th>
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## Major seaports in Vietnam

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<tr>
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<th>Seaport</th>
<th>Characteristics</th>
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Vietnam's seaport network consists of many small and medium units with inefficient distribution.
The master plan for the revised port system will be to increase the quality of infrastructure and develop more in sync with seaport infrastructure in the next years.
In addition, Vietnam seaport system still has many limitations

Ability of receiving ships of Vietnamese ports

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure – Airway

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<table>
<thead>
<tr>
<th>Airport</th>
<th>Investment in expanding and upgrading infrastructure</th>
</tr>
</thead>
</table>

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2. Industry overview
2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.3 Infrastructure – Airway

### Operational capacity of some major airways, 2016e

<table>
<thead>
<tr>
<th>Airport</th>
<th>Design capacity (thousand visitors/year)</th>
<th>Actual capacity (thousand visitors/year)</th>
<th>Efficiency</th>
<th>Number of takeoffs/landings (turns / year)</th>
</tr>
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</table>

### Revenue and profit of AVC, 2017

<table>
<thead>
<tr>
<th>Indicator (VND billion)</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue</td>
<td></td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td></td>
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<tr>
<td>Gross profit</td>
<td></td>
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<tr>
<td>Financial revenue</td>
<td></td>
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<tr>
<td>Financial expenses</td>
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<td>Related gain (loss)</td>
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<tr>
<td>Selling expenses</td>
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<tr>
<td>Administrative expenses</td>
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<tr>
<td>Net profit from business operation</td>
<td></td>
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<tr>
<td>Profit after tax from parent shareholders</td>
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</tr>
</tbody>
</table>

Source: VIRAC, ACV
At present, the installation location of Electricity plants is heavily dependent on the distribution of natural resources, so there is a clear distinction among regions.
Content is deleted for demo purpose

Source: VIRAC, EVN
2. Industry overview

2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.4 Dedicated construction – Power system

In terms of domestic electricity generation:

![Graph of total electricity supply, 2010–2018e](image)

*Excludes electricity imported from Laos*

![Pie chart of structure of electricity production, 2017](image)

Source: VIRAC, EVN, GSO, MOIT
### Electricity transmission and distribution network length, 2012 - 2017

<table>
<thead>
<tr>
<th>Unit</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Transmission Grid 500-220kV</td>
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<td>Distribution grid 110kV</td>
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Source: VIRAC, EVN
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**Electricity loss rate in some countries, 2011-2014**

<table>
<thead>
<tr>
<th>Country</th>
<th>Electricity loss rate</th>
<th>Country</th>
<th>Electricity loss rate</th>
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</table>

Source: VIRAC, EVN
## 2. Industry overview

### 2.2 Vietnam construction market – 2.2.3 Construction output – 2.2.3.4 Dedicated construction – Power system

**Rate of Electricity losses in the supply chain, 2010 - 2017**

<table>
<thead>
<tr>
<th>2017</th>
<th>Plan in 2018</th>
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<tbody>
<tr>
<td>Unit</td>
<td>Realized figure in 2016</td>
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Source: VIRAC, EVN
2. Industry overview

2.1 Global construction market

2.2 Vietnam construction market

2.3 Driving forces of the industry

2.4 Planning and Forecast
2. Industry overview
2.3 Driving forces of the industry – Geographical location

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2. Industry overview

2.3 Driving forces of the industry – Geographical location

Population distribution in Vietnam
Capital investment cost for infrastructure development is mobilized from public expenditures and foreign capital.

Structure of Investment Costs for Infrastructure Development in GDP, 1995 - 2013

Source: VIRAC, MOT
### 2. Industry overview

#### 2.3 Driving forces of the industry – Advantages of infrastructure and population

The largest cities of Vietnam
Estimated in 2017

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Subordinate to</th>
<th>Population (Million people)</th>
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</table>

**Source:** VIRAC
2. Industry overview

2.3 Driving forces of the industry – Urbanization and disposable income

Source: VIRAC, GSO

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Source: VIRAC, GSO
2. Industry overview

2.3 Driving forces of the industry – Real estate outstanding credit

Real estate outstanding credit, 2012-2018

VND trillion

Source: VIRAC, Ministry of Construction

Structure of real estate outstanding credit, 2018

Source: VIRAC, Ministry of Construction
2. Industry overview

2.3 Driving forces of the industry – The development of the middle class and consumer confidence index

Structure of population by class (expenditure), 2013 - 2020f

Source: VIRAC, BCG
2. Industry overview

2.1 Global construction market

2.2 Vietnam construction market

2.3 Driving forces of the industry

2.4 Planning and Forecast
Decision No. 838 / QD-BXD of MOC approving the plan for human resources development in the construction sector 2011-2020 as follows:

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Decree No. 44/2015 / ND-CP details some contents of approval of master plan for development of construction materials in Vietnam up to 2020 and orientation to 2030.
3 Enterprise analysis

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>3.1</td>
<td>Overview of enterprises</td>
</tr>
<tr>
<td>3.2</td>
<td>Profitability</td>
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<tr>
<td>3.3</td>
<td>Solvency</td>
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<td>3.4</td>
<td>Affordability</td>
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<tr>
<td>3.5</td>
<td>Performance efficiency</td>
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<tr>
<td>3.6</td>
<td>Profit ratio</td>
</tr>
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## 3. Enterprise analysis

### 3.1 Overview of enterprises

<table>
<thead>
<tr>
<th>Enterprise’s name</th>
<th>Charter capital (VND Million)</th>
<th>Total assets (VND Million)</th>
<th>Revenue in 2017 (VND Million)</th>
</tr>
</thead>
</table>

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3. Enterprise analysis
3.1 Overview of enterprises

Overview of Cotecons-CTD Construction Joint Stock Company

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3. Enterprise analysis
3.1 Overview of enterprises

Overview of Hoa Binh - HBC Real Estate Joint Stock Company

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3. Enterprise analysis
3.1 Overview of enterprises

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3. Enterprise analysis
3.1 Overview of enterprises

Delta Civil And Industrial Construction Company Ltd

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3. Enterprise analysis
3.1 Overview of enterprises

Construction joint stock Corporation No.1 (VINACONEX 1)

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3. Enterprise analysis
3.1 Overview of enterprises

Petrovietnam Construction Joint Stock Corporation-PVC

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3. Enterprise analysis

3.1 Overview of enterprises

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<th>3</th>
<th>Enterprise analysis</th>
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<tr>
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<td>Profit ratio</td>
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</table>
3. Enterprise analysis

3.2 Profitability

Net revenue growth, 2016-2017

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Source: VIRAC
3. Enterprise analysis
3.2 Profitability

Gross profit growth, 2017

Source: VIRAC
3  Enterprise analysis

3.1 Overview of enterprises

3.2 Profitability

3.3 Solvency

3.4 Affordability

3.5 Performance efficiency

3.6 Profit ratio
3. Enterprise analysis
3.3 Solvency

Accounts receivable turnover, 2017

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Source: VIRAC
3 Enterprise analysis

3.1 Overview of enterprises

3.2 Profitability

3.3 Solvency

3.4 Affordability

3.5 Performance efficiency

3.6 Profit ratio

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3. Enterprise analysis
3.4 Affordability

Affordability of enterprises, 2017

Source: VIRAC
<table>
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<th>Section</th>
<th>Title</th>
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<tbody>
<tr>
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</table>
3. Enterprise analysis
3.5 Performance efficiency

Total asset turnover, 2017

Fixed asset turnover, 2017

Source: VIRAC
3. Enterprise analysis
3.5 Performance efficiency

Administrative expenses/ net revenue, 2016-2017

Interest expenses/ net revenue, 2016-2017

Source: VIRAC
3 Enterprise analysis

3.1 Overview of enterprises

3.2 Profitability

3.3 Solvency

3.4 Affordability

3.5 Performance efficiency

3.6 Profit ratio
3. Enterprise analysis

3.6 Profit ratio

Profit ratio, 2017

Source: VIRAC
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Thank you !