### A/ ASSESSMENT RECAP

• Length: 1,500 words total (+10% buffer)

Task: A report detailing the repercussions of the current economic development in Vietnam on the company you assessed in the previous report.

### Research Areas:

- GDP analysis
- Factors affecting AD-AS
- Inflation, interest rates
- Financial markets
- International comparative advantage
- Trade agreements

# Suggested structure:

- I. Introduction
- II. Macroeconomic Overview of Vietnam
- III. Inflation and Interest Rates in Vietnam
- IV. International Comparative Advantage and Trade Agreements
- V. Conclusion and Recommendations

## **B/ DEFINITION**

- Gross Domestic Product (GDP): The total value of all goods and services produced in a country within a specific time period, typically measured annually.
- Aggregate Demand (AD) and Aggregate Supply (AS): AD-AS model analyzes factors influencing the economy. AD represents total demand for goods and services, and AS represents the total supply. Changes in these factors can impact GDP and the price level.
- **Inflation:** The rate at which the general level of prices for goods and services rises, eroding purchasing power. It is commonly measured as the percentage change in the Consumer Price Index (CPI).
- **Interest Rate:** The cost of borrowing or the return on investment, expressed as a percentage. Central banks use interest rates to influence economic activities and control inflation.
- **Financial Market:** A marketplace where buyers and sellers trade financial securities, including stocks, bonds, commodities, and currencies.

- International Comparative Advantage: The ability of a country or business to produce a particular good or service more efficiently than other countries, allowing for more competitive trade.
- **Trade Agreements:** Formal agreements between countries to facilitate and regulate trade. They often involve reducing tariffs, quotas, and trade barriers to promote economic cooperation.

#### C/ REFERENCE

- World Bank Vietnam GDP Current US\$
- World Bank Vietnam Historical GDP Data.
- Vietnam Briefing Economic Indicators, FDI, and Trade Trends.
- A brief overview of the Vietnam economy
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- The main industries in Vietnam.
- GDP năm 2022 ước đạt 8,02%, cao nhất giai đoạn 2011-2022
- Vietnam- Gross domestic product (GDP) per capita 2028 | Statista
- Economic Indicators, FDI, and Trade Trends: Vietnam's Gross Domestic Product
- VIETNAMNET GLOBAL: Budget resolutions set plan for 2023
- Kinh tế Việt Nam khép lại năm 2022 với nhiều con số ấn tương
- Vietnam Government Spending
- Vietnam Balance of Trade
- Overcoming difficulties, Vietnam has a trade surplus of 12.25 billion USD in 6 months of 2023
- 7 months of 2022: Vietnam has a trade surplus of nearly USD 1.1 billion
- China.org.cn, 2023. Vietnam's lending interest rates to drop in 2nd half of year: experts
- The World Bank, 2023. Vietnam's Economic Growth Slows Due to Global Headwinds and Internal Constraints
- Mckinsey, 2023. Vietnamese consumers are coming of age in 2023: How businesses can stay ahead
- Chỉ số giá tiêu dùng
- <u>VTV Kinh tế VN</u>
- RCEP
- Factors affecting GDP

- Consumer spending 2022:
- Government spending 2022.
- <u>CPI 2022</u>
- U.S Department of State: 2023 Investment Climate Statements. Vietnam
- Thông cáo báo chí về tình hình giá tháng 12, quý IV và năm 2022
- Vietnam Inflation Rate
- Inflation, consumer prices (annual %) Viet Nam
- What Causes Inflation?
- Vietnam Gasoline Prices
- Engineer shortage may harm US plan to turn Vietnam into chips powerhouse | Reuters
- Vietnam: real interest rates 2022 | Statista
  Vietnam: deposit interest rates | Statista
- Chance for another rate cut this year: experts | Business | Vietnam+ (VietnamPlus)
- <u>Central bank highly valued for flexible monetary policy governance | Business |</u> Vietnam+ (VietnamPlus)
- S&P Global Market Intelligence, 2023. Vietnam Economy Moderates in Early 2023
- Nguồn nhân lực Việt Nam: cơ hội và thách thức cho các nhà đầu tư | Kizuna
- Doanh nghiệp công nghệ số Việt Nam: Cơ hội gia nhập thị trường nghìn tỷ USD
- Cơ hội và thách thức trong phát triển công nghệ số của doanh nghiệp Việt Nam
- Để phát huy nguồn lực tài nguyên và môi trường đóng góp nhiều hơn nữa cho phát triển bền vững đất nước
- <u>Labor force participation rate in Vietnam 2021, by age group.</u>
- Nguồn nhân lực Việt Nam: cơ hội và thách thức cho các nhà đầu tự | Kizuna
- Doanh nghiệp công nghệ số Việt Nam: Cơ hôi gia nhập thi trường nghìn tỷ USD
- Cơ hôi và thách thức trong phát triển công nghệ số của doanh nghiệp Việt Nam
- Để phát huy nguồn lưc tài nguyên và môi trường đóng góp nhiều hơn nữa cho phát triển bền vững đất nước
- Nguồn nhân lưc Việt Nam: cơ hội và thách thức cho các nhà đầu tư | Kizuna
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- Skills and employability in Viet Nam
- RCEP: Hiệp đinh mở ra lợi thế về quy tắc xuất xứ cho hàng hoá của Việt Nam
- AANZFTA là gì? Tìm hiểu những quy đinh trong hiệp đinh AANZFTA
- CPTPP Hiệp đinh đầu tiên được thực thi của thế kỷ 21

- Vietnam's International Free Trade Agreements
- <u>Vietnam Trade Agreements</u>
- FTAs to generate more benefits for Vietnam in 2023: minister | Business | Vietnam+ (VietnamPlus)
- Vietnamplus, 2023. Vietnam's inflation forecast to slow to 4% in 2023: ADB
- Reuters, 2023. Vietnam c.bank cuts refinance rate by 50 bps to support growth
- Vietnamplus, 2023. Central bank cuts policy interest rates to spur growth
- S&P Global Market Intelligence, 2023. Vietnam Economy Moderates in First Half of 2023 as Exports Slump
- Reuters, 2023. Vietnam cuts interest rates again as economic growth slows
- Tuoitrenews, 2023. Vietnam cuts interest rates again as economic growth slows
- <u>Vietnam Briefing</u>, 2023. <u>Vietnam Q3 Labor Market Update: Increase in Workers</u>, <u>Employment</u>
- Viettonkinconsulting, 2023. Socio-Economic Situation in Vietnam Q3 2023
- Vietnam.vn, 2023. First 5 months of 2023: CPI, inflation slightly increase
- The Saigon Times, 2023. Vietnam's inflation forecast to reach 4.8% in 2023

#### D/ DETAILED OUTLINE

## I. Introduction (suggest 100 words)

- Brief introduction of the company (name, industry, size, time of operation in the Vietnamese market, future strategy)
  - o Concise overview of the company, including its name, industry, and size.
  - Duration and nature of the company's operations in the Vietnamese market.
  - Company's future strategic directions or goals within Vietnam.

**Example:** Momo, a prominent e-wallet in Vietnam, operates in the financial technology industry. Since its inception in 2013, it has grown significantly, becoming one of the leading digital payment platforms. With a focus on user-friendly services, Momo continues to play a key role in transforming Vietnam's digital payment landscape and aims to further enhance its services for future market expansion.

• The purpose of the report (understanding of the current economic landscape in Vietnam and articulate how these factors influence the specific company)

- Explore and understand the current economic environment of Vietnam.
- Factors influence the specific operations and strategies of the company.
- Establish a context for the company's strategic decision-making in response to the economic conditions of Vietnam.
- Identify potential opportunities and challenges for the company arising from Vietnam's economic landscape.

**Example:** The report aims to comprehensively analyze the current economic landscape in Vietnam and delineate its implications on the specified company. By scrutinizing factors such as GDP, AD-AS dynamics, inflation, interest rates, financial markets, and international trade, the report seeks to provide a nuanced understanding of the economic context, enabling insightful assessments of the company's performance and future prospects.

# II. Macroeconomic Overview of Vietnam (suggest 400 words)

# 1. Vietnamese economy overview

**Example:** With an impressive annual GDP growth averaging around 6.5%, Vietnam's economy has soared to over 366 billion US dollars in 2021. The nation maintains a stable population growth rate. Projections from the IMF anticipate Vietnam's GDP per capita to reach 4,162.94 USD by 2022, positioning it at 117th globally. The economic structure reveals a diversified landscape, with Agriculture-Forestry-Fishery contributing 13.96%, Industry and Construction comprising 34.49%, and Services dominating at 43.44%. This economic overview showcases Vietnam's robust growth, strategic sectoral distribution, and a promising trajectory in the global economic landscape.

# Suggested ideas:

- Most Recent GDP Data and Historical Growth Patterns:
  - For the most recent GDP data: World Bank Vietnam GDP Current US\$.
  - o For historical GDP data: World Bank Vietnam Historical GDP Data.

## Hint:

- $\rightarrow$  Average annual GDP growth of about 6.5% and has just reached a level of more than 366 billion US dollars in 2021.
- → Vietnam's population growth rate has always been stable.
- → According to the IMF, by 2022, Vietnam's GDP per capita will reach 4,162.94 USD, ranking 117th in the world.