



Vietnam Market

Equity Market

- **VNINDEX:** Declined 6.0% WoW. Cumulatively down 0.9% YTD in 2026.
- **Foreign investor:** Net sold VND 6,145 billion (compared to a net sell of VND 4,738 billion in the previous week). Cumulative YTD net sell in 2026 reached VND 19,913 billion.

China Market

China sets conservative growth target for 2026

- China set a growth target of 4.5-5.0% for 2026, marking its lowest level since 1991. The majority of other macroeconomic targets were maintained at 2025 levels. Furthermore, the Chinese government did not set a growth target for the 15th Five-Year Plan covering the 2026-2030 period.

Assessment: The conservative 2026 growth target indicates that the Chinese government has acknowledged structural headwinds, such as the prolonged real estate crisis and an aging population. Consequently, this prudent economic target will alleviate the pressure on local governments to chase quantitative growth, allowing them to prioritize the quality of economic expansion instead.

US Market

Employment Data (February 2026)

- The US economy shed 92,000 nonfarm payrolls in February, contrary to expectations of a 50,000 - 60,000 increase. The unemployment rate ticked up slightly to 4.4% from 4.3%. Meanwhile, average hourly earnings rose by 0.3% MoM and 3.8% YoY, marginally outpacing forecasts. This may reflect a shift in employment composition, as a portion of low-wage workers were temporarily absent due to strikes and severe weather conditions.

Assessment: The sharp decline in February payrolls was primarily driven by a major strike involving nurses and healthcare workers at Kaiser Permanente, which caused the healthcare sector to shed 28,000 jobs, its first contraction since April 2020. As the strike concluded late in the month, employment growth is expected to rebound in March.

US corporates face tax refund challenges following SCOTUS ruling

- US corporations are encountering difficulties in claiming tax refunds from the government following SCOTUS ruling that invalidated tax collection under IEEPA. It is estimated that the Trump administration must refund approximately USD 170 billion in taxes collected under IEEPA.

Assessment: The refund process faces obstacles as SCOTUS only struck down the legality of the tax collection without explicitly addressing the refunds, providing the Trump administration room to seek delays. Although the Department of Justice's proposed 90-day delay was rejected by a federal court, the legal process for corporations to receive these refunds is still anticipated to be complex and protracted.

Middle East Update

- Energy supply from Gulf nations has been severely disrupted as multiple LNG facilities and refineries have been forced to suspend operations or reduce capacity amid attacks and storage constraints. As of March 7, an estimated 9 million barrels per day of oil and gas capacity has been affected, equivalent to over 8% of global supply.
- Concurrently, Iran announced the closure of the Strait of Hormuz effective March 2 and threatened to attack transiting vessels; between February 28 and March 7, approximately 11 commercial ships were attacked. War risk insurance premiums have surged from 0.25% to approximately 3.0%, with numerous insurers declining coverage, thereby severely disrupting shipping operations through the Strait of Hormuz.

Global Economic Impact

Goldman Sachs projects that oil prices could reach USD 120–150 per barrel in the event of a protracted conflict. According to BMI, sustained oil prices of USD 110–130 per barrel for at least one quarter could shave 0.2–0.3% off global economic growth, while a range of USD 90–130 per barrel could add 1.0–2.5 percentage points to global inflation. The impact is expected to be more pronounced across Asian economies, which heavily rely on oil supplies routed through the Strait of Hormuz, thereby elevating stagflation risks.

Impact on Vietnam

Following the outbreak of the Iran-US-Israel conflict on February 28, retail petroleum prices in Vietnam underwent two adjustments on March 5 and March 7. Notably, RON 95-III gasoline surged by a cumulative 40% (+VND 7,750) to VND 27,040 per liter. Historically, retail fuel prices were adjusted on a weekly basis (every Thursday). However, the Government recently promulgated Resolution 36/NQ-CP on March 6, 2026, which permits fuel price adjustments on the immediately following day if the base price increases by 7% or more.

Government Mitigation Measures

- (1) The Government approved the invocation of Clause 8, Article 59 of the 2022 Petroleum Law, mandating oil field operators to sell uncontracted crude oil into the domestic market to supply local refineries.
- (2) Granted authorization to Petrovietnam (PVN), Binh Son Refining and Petrochemical (BSR), and PV OIL to proactively trade, import, and export crude oil and petroleum production inputs.
- (3) The Ministry of Finance proposed a reduction in the Most Favored Nation (MFN) tariff from 10% to 0% for unleaded motor gasoline and blending components such as naphtha and reformate. This measure is estimated to reduce state budget revenue by approximately VND 1,024 billion, with the draft Decree expected to remain in effect through April 30, 2026.
- (4) The Inter-Ministry task force elected not to provision or utilize the Fuel Price Stabilization Fund across all petroleum products (including E5RON92, RON95, diesel, kerosene, and fuel oil) during the March 7 pricing cycle. Concurrently, the Ministry of Industry and Trade (MoIT) is soliciting feedback on deploying the Stabilization Fund in scenarios where retail fuel prices register consecutive increases of 20% or more within a single month. According to MoIT data updated in early 2026, the fund's balance stood at VND 5,617 billion as of September 30, 2025.