



VIETNAM GOLD MARKET 2024 UPDATE

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VIETNAM GOLD MARKET UPDATE



- In 2023, with a total off-take of **55.5 tonnes** (in which Retail Investment was at 40.4 tonnes and Jewellery Consumption at 15.1 tonnes), Vietnam physical gold demand was the highest among the ASEAN gold markets (Indonesia's was on the 2nd rank with 45.3 tonnes and Thailand's was 3rd with 42.1 tonnes).
- In the first 6 months of 2024, by our estimates , Vietnam's physical gold demand will reach **33 tonnes** (with Jewellery Consumption at 7.4 tonnes and Retail investment at 25.6 tonnes) , marking an increase of + 10 % on a yearly basis.

GOLD BAR DEMAND UPDATE



- In 2023, demand for retail investment products (such as SJC tael bars and 24K Chi rings) was still prevailing at 72.8 % of the total physical demand.
- The key reasons for this strong RI demand were the sharp decrease in saving interest rates, the frozen real estate market and the constant devaluation of the national currency vs the US Dollar.
- With domestic gold prices reaching all time high levels in May 2024 (SJC gold bar has attained the record price of VND 92.4 Millions /tael, equivalent to USD 3,020 /oz.), the SBV had decided to organize gold bar auction sessions , for the first time since 2014, and providing so far nearly 50,000 gold tael bars to the market.

GOLD MANAGEMENT POLICY UPDATE



- On February 15, 2024, the Vietnamese PM, Mr Pham Minh Chinh has issued the Circular No. 06, instructing the SBV to revise the current Decree 24 on gold management policy, in order to provide more gold bar supply to the market and therefore reducing the high premium (over USD 600/oz) of the SJC tael bar.
- From April 24 to May 23, 2024, the SBV has organized 9 gold auction sessions which has provided 48,500 SJC tael bars (equivalent to 1.8 tonnes of 24 ct gold) to the retail consumers.
- Also starting from June 3, 2024, the SBV also supplied SJC tael bars at lowered premiums to the BIG 4 (State-owned Banks } and SJC Gold Co. for direct sales to the public.

GOLD MARKET PERSPECTIVES



The Vietnam Gold Traders Association (VGTA) , with the support of WGC, is currently working with the SBV Forex Department and other relevant governmental agencies on the following policy changes :

- The total revision and eventual replacement of the Decree 24 on gold management policy.
- A complete liberalization by the SBV on all production and sale activities of physical gold products.
- The set-up of a national gold exchange under the management and supervision of the SBV (based on the SGE model)



THANK YOU