

# VIETNAM GOLD MARKET 2022 UPDATE

**Huynh Trung Khanh**

**Vice Chairman**

**Vietnam Gold Traders Association**

**06 June, 2022**

# VIETNAM MARKET UPDATE

- Although badly affected by the global pandemic, Vietnam's physical gold demand was recovering well in 2021, with an increase of + 8 % year-on-year and a total off-take of **43 tonnes** ( in which Retail Investment was at 31 tonnes and Jewellery Consumption at 12 tonnes ) and ranking 2<sup>nd</sup> among the ASEAN gold markets.
- Total demand of gold in Q1 2022 has reached the pre-Covid level of **19.6 tonnes**, in spite of the recent gold price hike and forecasting another good year of business for the Vietnamese gold traders.

# GOLD BAR DEMAND UPDATE

- In 2021, demand for gold tael bars and other forms of retail investment gold such as chi rings, gold coins, gold emblems,... was still prevailing at **72 %** of the total off-take.
- As SJC Dragon Tael Bars became rarer while private investors' demand remained strong, their sales premium in 22Q1 even reached the all-time high record of **VND 20 Millions** per tael ( equivalent to USD 700 per oz. )
- Other RI gold products like chi rings were also selling at premium of **VND 3 Millions** per tael ( equivalent to USD 100 per oz. ) with gold raw material illegally imported through border trading.

# GOLD POLICY UPDATE

- Starting 2020, the State Bank of Vietnam ( SBV ) has implemented the following key changes in its gold management policy :
  - The production and sales of gold jewellery ( including 24 ct. gold investment products ) were completely liberalised ( i.e. no need for licensing and supervision by SBV )
  - The production and sales of gold tael bars are still conditional and need to be licensed by SBV the conditions for licensing were more simplified and relaxed.
  - Gold raw material imports were temporarily granted for manufacturing of gold jewellery destined to exports.

# GOLD PERSPECTIVES

- The Vietnam Gold Traders Association ( VGTA ) is currently working with the SBV on those potential policy changes :
  - Authorization for the sales and production of other gold tael bar brand , besides the SJC bar.
  - Granting of import quotas for gold raw material destined to manufacturing of gold jewellery and other gold products based on documented proofs of production and sales.
  - Setting up of a national gold exchange, in Hanoi or HCM City, under the management and supervision of SBV and based on the SGE model.

# THANK YOU

Hybrid  
**ASIA PACIFIC**  
**PRECIOUS METALS**  
CONFERENCE

6-7 June 2022

InterContinental Singapore

