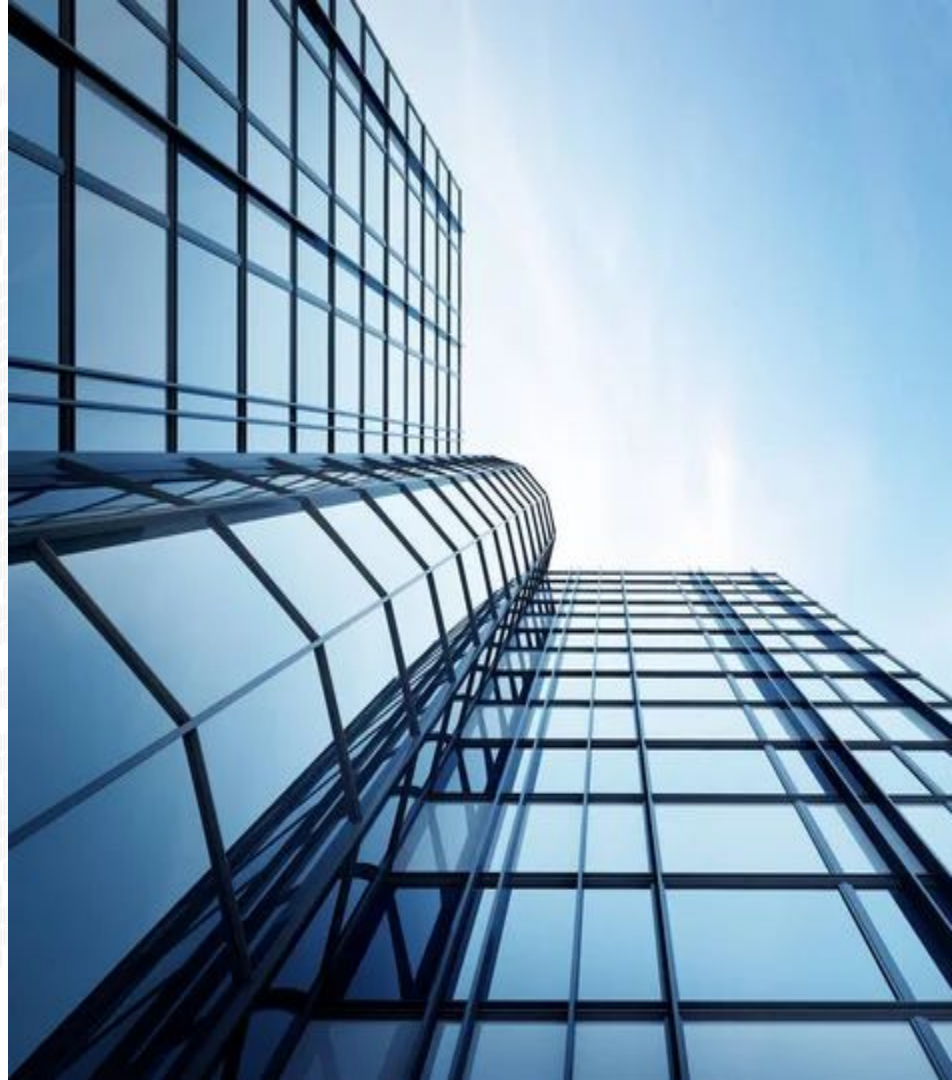




Market Report

# INDUSTRIAL SNAPSHOT

*2nd Week of August, 2025  
[4th July - 10th August 2025]*



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# INTRODUCTION

Dear esteemed readers,

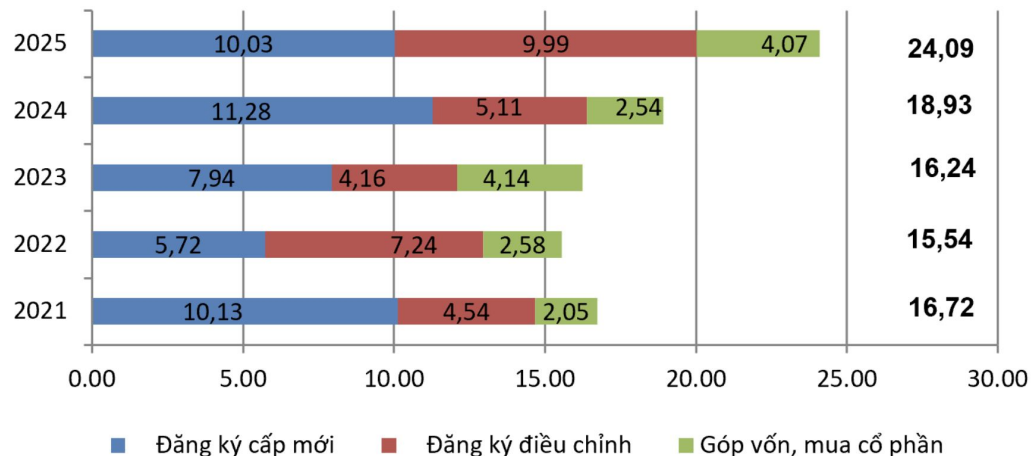
CNCTech Industrial is pleased to introduce our 'Industrial Snapshot' section – your go-to source for the latest information and in-depth analysis on Vietnam's industrial sector and industrial real estate market. We understand that making informed investment decisions requires a deep understanding of the market. Therefore, our team has compiled and analyzed key information, including macroeconomic trends, market overviews, noteworthy projects, the industrial and logistics ecosystem, as well as the most recent investment support policies. We hope that this information will serve as a valuable resource, assisting you in making effective investment decisions.

[1]

## Foreign Investment Surges in Vietnam: Strong 7-Month FDI Growth

According to the General Statistics Office report released on August 6, 2025, Vietnam attracted approximately USD 24.09 billion in registered foreign direct investment (FDI) during the first seven months of the year, marking a significant 27.3% year-on-year increase. This total includes newly registered projects, capital adjustments, and equity contributions.

Notably, 2,254 new projects were approved, though their combined capital of USD 10.03 billion was 11.1% lower in value compared to the same period last year, indicating smaller average investment sizes despite rising investor interest.



Foreign investment capital registered in Vietnam in 7 months of 2021-2025 (Billion USD)

The manufacturing and processing sector maintained its dominance, securing USD 5.61 billion or 55.9% of new FDI flows, while real estate ranked second at USD 2.36 billion (23.5%). Meanwhile, foreign capital injections into existing projects soared: 920 adjustment filings added roughly USD 9.99 billion, a nearly 95% increase over the prior year, signaling strong confidence in expansion and operational stability. Moreover, executed FDI reached USD 13.6 billion, representing an 8.4% rise, and marking a five-year high for the January–July period.

These figures underscore sustained investor trust in Vietnam's economy. The surge in both project numbers and actual disbursement indicates robust demand for investments and a favorable business environment, reinforcing Vietnam's position as an appealing destination for foreign capital.



Source: [vneconomy.vn](http://vneconomy.vn)

[2]

## Phú Thọ to Launch Nam Bình Xuyên Green Industrial Park

Phú Thọ province will break ground on the Nam Bình Xuyên Green Park industrial zone on September 2, 2025, marking Vietnam's National Day. Spanning 295.7 hectares, the project is developed by CNCTech Industrial and aims to be a model "green-smart" industrial park integrating sustainability and advanced technology. Strategically located near the Nội Bài-Lào Cai Expressway, Hanoi's Beltway 4, and Nội Bài Airport, the park offers strong connectivity for investors.

Infrastructure highlights include a 110/22 kV substation (4x63 MVA), 102 MVA solar power capacity, 58,000 m<sup>3</sup>/day water supply, and high-standard wastewater treatment. Smart management systems, advanced fire safety, and extensive green areas (35 ha) enhance operational efficiency and environmental performance.



Facilities will include ready-built factories from 3,000 to 30,000 m<sup>2</sup>, up to five floors, alongside built-to-spec options for high-tech sectors such as semiconductors, electronics, and supporting industries. On-site services—legal, construction, logistics, and workforce housing—will streamline investor setup.

Nam Bình Xuyên Green Park underlines Phú Thọ's strategy to become a modern industrial and logistics hub by 2030, offering a sustainable, well-connected, and technology-driven investment destination.



*Multi-story factory in Nam Binh Xuyen Green Park*

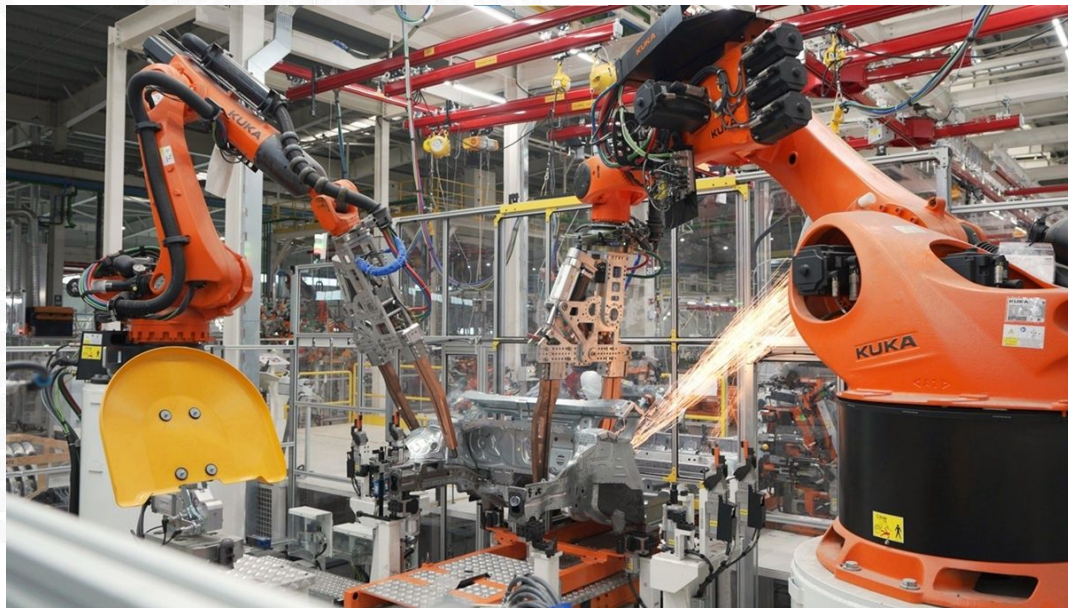


*Project's operational, commercial and service center model*

[3]

## Manufacturing sector bounces back to growth in July

In July 2025, Vietnam's manufacturing sector regained momentum, returning to growth with a strong Purchasing Managers' Index (PMI) of 52.4, up from 48.9 in June—crossing above the neutral 50 mark for the first time in four months. This recovery was driven by a marked increase in new orders, which expanded for the first time in four months and at the fastest pace since November. Production rose for the third consecutive month, accelerating at its fastest rate in 11 months. Inventory replenishment followed suit, with purchasing activity growing at its most robust since August of the previous year.



However, headwinds remain. Export demand continues to suffer under U.S. tariffs, stretching overseas business down for a ninth straight month. Meanwhile, input costs climbed for the second month running, reaching the fastest increase so far in 2025, prompting a modest pick-up in output price inflation. Although employment is stabilizing, business confidence slipped to a three-month low, weighed down by concerns over tariffs and global market volatility.

Overall, while Vietnam's manufacturing rebound in July signals improved domestic demand and operational resilience, sustained export challenges and rising costs warrant cautious optimism going forward.



## [4] Vietnam Trade Turnover Hits US \$514.7 Billion in 7 Months

Vietnam's merchandise trade achieved a remarkable US\$514.7 billion in turnover during the first seven months of 2025, reflecting a solid 16.3% year-on-year growth. Exports grew by 14.8% to US\$262.4 billion, while imports rose even more sharply—17.9%, reaching US\$252.3 billion. This dynamic translated into a healthy trade surplus of US\$10.18 billion, signaling continued strength in trade performance.

A breakdown by economic sectors shows the foreign-invested sector (including crude oil) dominated exports, contributing US\$195 billion (up 17.9%), compared to US\$67.5 billion (up 6.7%) from the domestic sector, which accounted for only 25.7% of total exports.



Source: [thoibaotaichinhvietnam.vn](http://thoibaotaichinhvietnam.vn)

In terms of imports, the foreign-invested sector again led with US\$168.2 billion (up 23.6%), while the domestic sector accounted for US\$84.1 billion (up 8.0%).

Manufactured goods remain central to export performance, with processed industrial items making up 88.6% of total exports. The strong trade performance underscores sustained investor confidence, trade diversification, and robust integration of foreign direct investment into Vietnam's export machine.

In conclusion, Vietnam's trade growth in the first seven months of 2025 highlights steady economic momentum and a resilient export sector, although the comparative lag in domestic sector growth suggests room for strengthening local production capabilities.



Source: [thoibaotaichinhvietnam.vn](http://thoibaotaichinhvietnam.vn)

[5]

## Phú Thọ Draws Over USD 650 Million FDI in 7 Months

Since the administrative merger of Phú Thọ province earlier this year, the region has demonstrated remarkable investment momentum, drawing in USD 651.7 million in foreign direct investment (FDI) during the first seven months of 2025. This includes 35 newly approved projects amounting to USD 119 million, alongside 45 capital adjustment filings that injected an additional USD 533 million into existing operations. The rapid inflow underlines the success of Phú Thọ's post-merger strategy and its effective investment facilitation efforts.

The province's "red-carpet" approach—from streamlined administrative procedures to proactive outreach—has played a central role in attracting these funds, signaling heightened investor confidence in local governance and policy orientation.



Additionally, domestic business activity surged, with 2,976 new enterprises established, a 92.9% year-on-year increase, and about 964 firms resuming operations, totaling over VND 26,000 billion in registered capital. Public investment has also seen strong execution, with roughly VND 13,800 billion disbursed—73.8% of the Prime Minister-assigned budget—surpassing the national average disbursement rate of 32.5%.

Taken together, these developments reflect Phú Thọ's emerging position as a dynamic investment hub. The combined growth in FDI, domestic enterprise expansion, and public capital mobilization sets a strong foundation for sustained economic acceleration in the second half of 2025 and beyond.

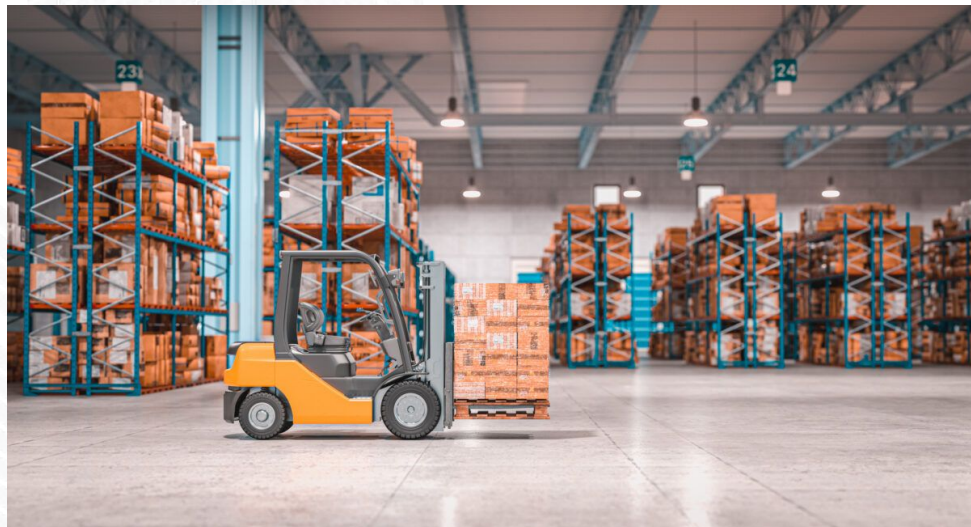


[6]

## Vietnam Emerges as Stability Anchor in Cooling Global Warehouse Costs

Amid a global slowdown in logistics rental cost growth—where premium warehouse rents rose just 1.1% in the first half of 2025, the lowest in three years—Vietnam stands out as a beacon of stability and value. Major logistics centers like London, Sydney, and Dubai face high operational costs and slower rent growth; in contrast, Vietnam offers consistently reasonable rates and growing interest from both domestic and international long-term tenants.

In key cities, prime warehouse rates average US\$5.3/m<sup>2</sup>/month in Ho Chi Minh City and US\$5.5/m<sup>2</sup>/month in Hanoi, well below levels seen in mature logistics markets such as Japan, South Korea, or Singapore.



Additionally, investors and tenants increasingly favor build-to-suit and long-term leases, driven by demands for scalability, ESG compliance, and operational control. Locations near urban centers, seaports, and major transport hubs are especially in demand, reinforcing Vietnam's growing appeal as a logistics and warehouse investment destination.

Overall, as global warehousing costs plateau, Vietnam's combination of cost-efficiency, strategic infrastructure, and investor confidence positions it as a compelling stable hub for logistics development.



[7]

## Vietnam Strengthens Supporting Industry with Decree 205 Revamp

Vietnam's government has taken a strategic leap forward in promoting its supporting industries by enacting Decree No. 205/2025 on July 14, 2025, updating the earlier legal framework from 2015. This revamped decree is designed to deliver more substantive and nuanced support, streamlining administrative procedures, embracing digital transformation, and fostering international integration—reflecting the nation's push for next-gen, sustainable industrial development.

Among its key enhancements, Decree 205 significantly broadens the definition of supporting industries to include activities such as processing of raw materials, IT applications, smart manufacturing, mergers and acquisitions, and legal and market support—tying into Industry 4.0 trends. Financial incentives have been expanded, covering up to 70% of costs for market development, exhibitions, partnerships, and technology transfer.



Source: [tapchicongthuong.vn](http://tapchicongthuong.vn)

Specialized support extends to education and training, offering cost coverage for top-tier technical staff—including students, lecturers, and skilled workers—while also subsidizing up to 50% of costs for testing, quality certification, and IP protection.

Strategic infrastructure development is another highlight, with new regional technical support centers obtaining tax breaks, land exemptions, and ODA funding. These facilities will play critical roles in R&D, training, testing, and technology consultation, nurturing a robust ecosystem around supporting industries. Furthermore, the decree introduces transparent, accelerated certification processes—online submission, shorter review windows (30–45 days), and strengthened provincial-level incentives are now in place.



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**THANK  
YOU**