



M&A retail sale deals on upward trend

The retail sale market has become eventful since the end of 2015 with large-scale M&A transactions carried out by domestic and foreign investors.

Under its commitments to the World Trade Organization (WTO), since January, 2015, Viet Nam permitted the establishment of wholly-foreign owned companies.



In addition, the official operation of the ASEAN Economic Community since 2016 is expected to permit free circulation of resources, goods, capital, and human resources. The Trans-Pacific Partnership Agreement would be sealed in 2016 with over 10,000 types of products among 12 member economies enjoying free tax.

The aforesaid conditions would make Vietnamese retail sale market competitive and thrive.

So far, in Viet Nam, modern retail sale channels occupied 25% of the market shares, lower than its peers such as the Philippines (33%); Thailand (34%); China (51%); Malaysia (60%); and Singapore (90%). By 2020, Viet Nam would raise the figure to 45%. Thus, Viet Nam offers a promising cake for investors.

Foreign retailers made up over 40% of around 800 supermarkets in Viet Nam.

Especially, Vietnamese conglomerate Vingroup also joined the retail sale market via M&A deals. Vingroup bought the Maximark commercial centers and Vinatexmart./.

Source : chinhphu.vn