

G'day Vietnam

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A Vietnamese investment company with a 20 per cent plus target return is set to list in Australia, offering local investors access to the second fastest growing economy in Asia.

Lawrence Nguyen, chief executive of Vietnam Emerging Capital Limited (VECL), said the company is looking to list on the National Stock Exchange of Australia (NSX) on February 29, with an expected ASX listing later this year.

VECL aims to grow its assets to more than \$100 million and return more than a 20 per cent yield by investing in pre-IPO blue chip Vietnamese investments across property, equity, infrastructure, health and finance.

The portfolio consists of eight stocks, half invested in pre-IPO state owned enterprises and listed shares and the remainder allocated to property development within Vietnam.

“Vietnam has a very solid goal to become a fully fledged market economy. Governance has not been an issue since its accession into the World Trade Organisation where it drafted new investment laws requiring greater transparency,” Nguyen said.

“The Vietnamese government understands it needs transparency to attract foreign investors and ensure the economy can grow.”

Nguyen said VECL listed on the NSX because it required less capital to list compared to the ASX.

Vietnam's gross domestic product (GDP) last year was 8.5 per cent and foreign direct investment into the country is expected to reach 8.1 per cent year on year to 2010.

The country's 10-year GDP growth outlook is 7.2 per cent compared to Thailand's forecast of 2.9 per cent and Malaysia's estimation of 4.8 per cent.

VECL will list 50 million shares at 25 cents to raise \$12.5 million with a minimum application of \$2,000.

Michael Hobbs