



Navigating the Shockwaves

Managing Treasury and Working Capital Risk
in Vietnam's New Economic Reality

June 2026



Vietnamese enterprises are under sustained pressure from ongoing macroeconomic shocks

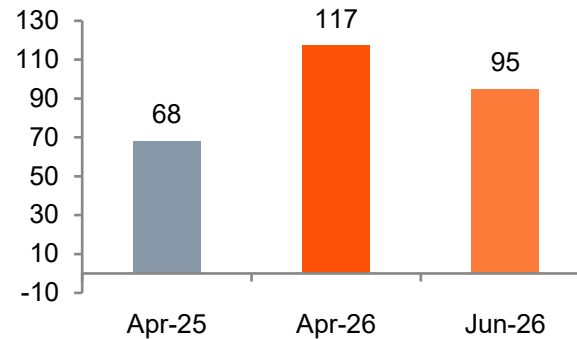
Most 2026 budgets were built with oil at ~US\$68 and normalised freight. Several of those assumptions are now proving inaccurate - and the gap is widening



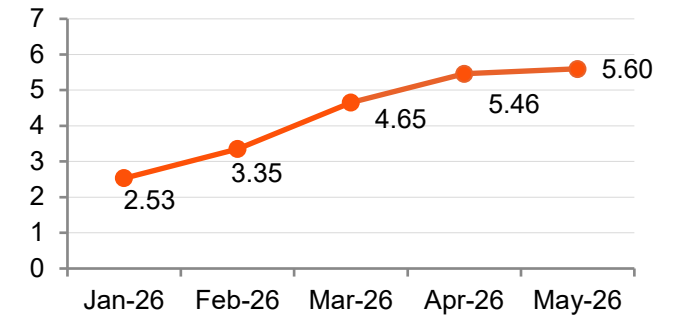
Middle East Conflict and Hormuz Bottleneck

- **Hormuz ship transits collapsed 93%:** from 76/day (Feb 2026) to 5/day (Apr 2026)
- **Brent crude:** US\$68/bbl (Apr 2025) → US\$117/bbl (Apr 2026) - +72% YoY; IEA calls “this the largest oil supply disruption in history”
- US-Iran ceasefire described as 'on massive life support' (Trump, 11 May 2026) - re-escalation risk remains elevated; no resolution timeline in sight

Avg. Brent Crude price per month (US\$/bbl)



Vietnam CPI YoY %



Three Key Risk Factors for Vietnam

Energy security

85% of Vietnam's imports of crude oil comes from the Middle East- every oil price rise feeds directly into logistics, power and manufacturing costs with no domestic buffer

Currency depreciation

VND has weakened ~1.3% YoY against USD (26,005 in Apr 2025 to 26,356 in Apr 2026) - compounding the cost of every USD-denominated import payable on top of the oil price surge

Inflation transmission

Vietnam CPI hit 5.60% YoY in May 2026 (highest since Jan 2020); transport sub-index +12.48% YoY - the direct oil pass-through

Vietnam: The Numbers Are Already Moving

+12.48%

Consumer Price Index (CPI) Transportation spike YoY, May 2026

+77.8%

Petroleum imports value surge YoY, Q1 2026

+ 98.8%

Surge in enterprise dissolutions YoY, Q1 2026

+1 – 2%

Commercial lending rate hike YoY, Apr 2026

Sources: US Energy Information Administration; Investing.com; Macro me; Trading Economics; Atradius Collections; NSO Vietnam, Vietnam Industry and Trade Information Centre, Vietnam Bank Association; MUFG; MacroMicro



For our firm in Vietnam, the Middle East Conflict has increased the focus on FX volatility, energy costs, and shipping disruptions, pushing us to tighten liquidity planning, hedging, and oversight of cross-border payments and supply chain exposures.

CFO, a leading manufacturer of kitchen cabinets in Vietnam



Some of our brands have requested retail price increases in the Vietnam market because prices in Europe have already been raised to offset higher production costs. In Vietnam, the retail price increase could be even higher, as we also need to absorb additional transportation costs, import duties, and other local expenses.

Finance Director, a leading luxury fashion retailer in Vietnam



Given the impact of the severe regional escalation in Middle East and rising energy costs, we are keenly monitoring and controlling the freight and reagent costs and also concerned about FX uncertainty, higher market interest rates and higher financial expenses.

Deputy CEO, a leading local company focused on mining and advanced materials



Agri industry is suffering from increased freight and higher supply chain risks due to the war. Dubai being a major transit and trading hub for agri trading, the demand to the Middle East is severely impacted and FX volatility is adding to the woes of majority of the traders.

Director, an agri-commodities trading company in Vietnam



The most significant risk today is disruption to cash flow, liquidity, and weak consumer spending. These disruptions are driven by tensions in the Middle East, which lead to volatile trade conditions, reduced volumes, eroded margins, and an enormous increase in costs, compounded by limited access to capital amid rising exchange and interest rates.

CFO, a leading Vietnamese lifestyle and fashion retailer

How the shock travels from Hormuz to your finances

Four concurrent risk channels are putting pressure on margins, liquidity, and funding capacity at the same time. Each can be managed individually, but when combined and left unmanaged, they can materially weaken a company's financial resilience

Risk Channels



Energy and Input Costs

- Oil at ~US\$100/bbl is directly increasing costs across **logistics, plastics, synthetics, and energy**
- Liquefied Natural Gas (LNG) force majeure notices are disrupting **fertiliser and petrochemical supply chains**.
- Businesses without **commodity hedging** are becoming **price-takers**, with limited control over **cost** and **timing**



Supply Chain Disruption

- Hormuz transit volumes have fallen **93%** (UNCTAD), Rerouting extends **transit times by 10–14 days** and **increases operating costs**, with freight rates now **3–4x pre-crisis levels**
- To manage delays, companies are increasing **safety stock**, tying up capital that would otherwise support **debt service** or **growth**



FX and Credit Tightening

- VND is down **1–2% YTD**, raising the cost of **USD denominated inputs**
- SBV cut its **2026 credit growth target** to **15%**, signalling restraint just as corporate borrowing needs rise
- Most CFOs only discover **tightened credit lines at renewal**, when refinancing options are far fewer



Customer and Demand Stress

- Customers facing the same cost pressures are **paying later** and **ordering less**
- DSO is rising, with around **35% of B2B invoices overdue**.
- During the Ukraine shock, Vietnam manufacturing **DSO extended by 8–12 days** within six months. The current shock is more direct.

Impact indicators

▲ COGS

▲ Cash burn

▲ Lead times

▲ Inventory cost

▼ Profit margin

▼ Credit Headroom

▲ Days Sales Outstanding DSO

▼ Revenue

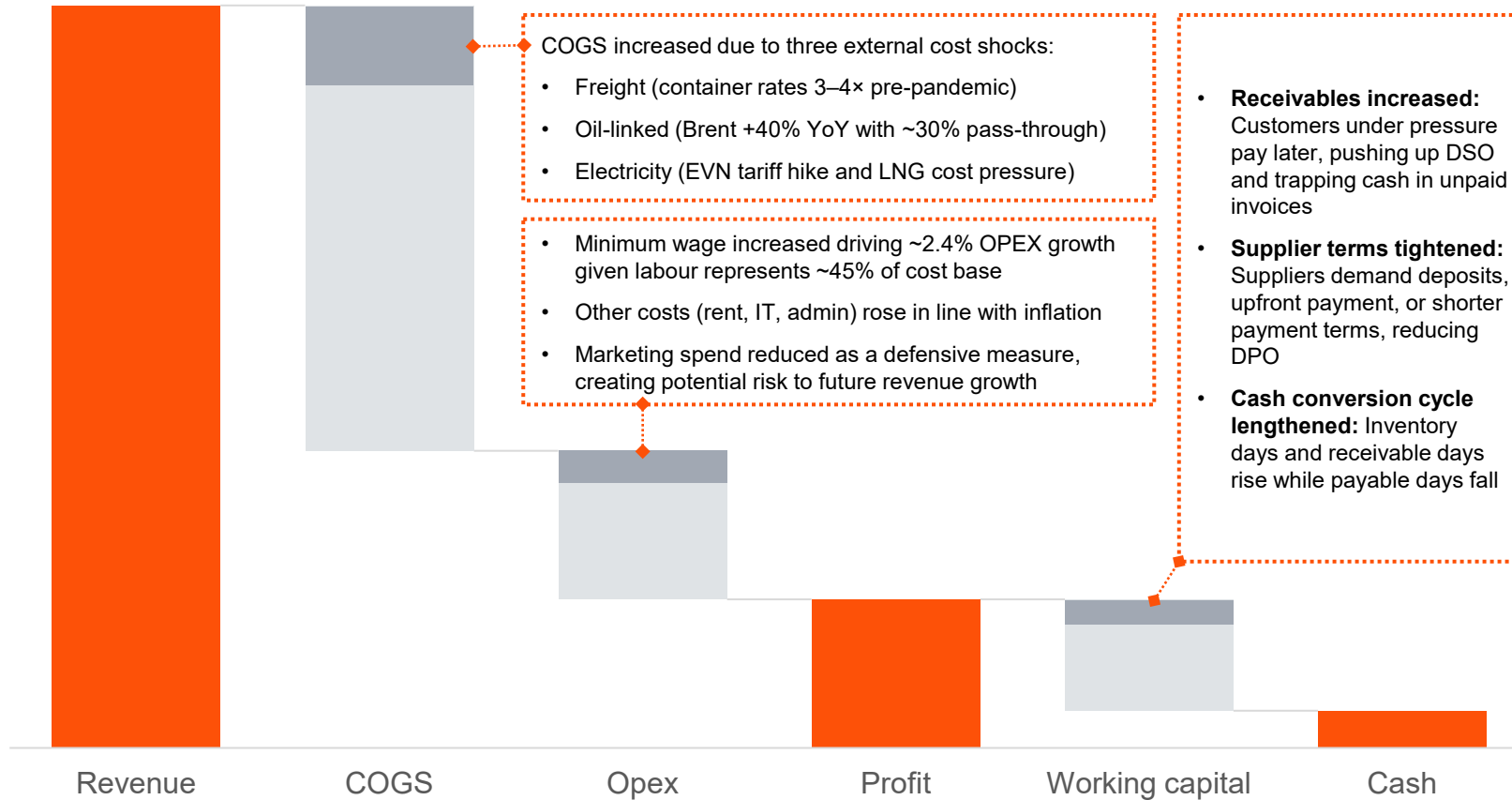
COMBINED IMPACT

Concurrent shocks are compounding liquidity stress and amplifying reliance on external funding

The maths are straightforward, the implications are not

A Vietnam mid market enterprise is now operating materially below plan, with pressure building across profitability, cash flow, and funding capacity

Illustrative budget to reality bridge - Unit: USD million



Sources: PwC analysis.

PwC

Most exposed sectors



Transportation and logistics

Directly hit by higher oil, rerouting, freight disruption, and longer lead times. Fuel cost, freight cost, margin compression



Manufacturing (B2B)

Exposed across multiple pressure points - raw material costs, freight, FX on imports, receivables risk, and covenant pressure as EBIT declines



Retail / Consumer

Margins are squeezed from both sides - rising input costs and weakening consumer demand

How to Release Cash and Strengthen Treasury Resilience?

We have identified six levers, actionable within 3–6 months, to release trapped cash, manage cost and currency risk, and build treasury resilience against ongoing macroeconomic pressure

Treasury and Corporate Finance



Receivables Management and Invoice Financing

Tighten credit terms, enforce collections discipline and deploy invoice financing to monetise outstanding AR

The gap between agreed terms and actual collection is where significant cash hides; invoice financing converts that delay into immediate cash.



Payables Optimisation and Supply Chain Financing

Extend supplier payment terms and deploy supply chain finance so suppliers receive early payment while your outflow is deferred

Done well, this lever can release more cash than a new credit facility - at zero incremental financing cost and without straining supplier relationships.



Funding and Credit Strategy

Review facility covenants, diversify banking relationships and secure or renew credit lines - with asset disposal as a structured last resort

Banks are quietly becoming sector-selective in energy-exposed industries. Diversifying funding sources now gives CFOs more options when refinancing pressure mounts.



Inventory Optimisation and Financing

Liquidate slow-moving stock, right-size safety buffers, explore vendor-managed replenishment and inventory financing against held stock

Inventory built for supply chain uncertainty is now your most expensive asset, held at today's elevated input costs — financing it can release cash without depleting it.



Commodity And FX Risk Management

Establish a hedging policy, lock forward FX rates on USD payables and implement commodity price protection on key inputs

Most Vietnamese businesses carry full oil and FX exposure with no structured hedge programme - a gap manageable at US\$68/bbl but a material treasury risk at ~US\$100/bbl.



Technology and Cash Visibility

Implement real-time cash dashboards, integrate ERP data feeds and automate daily cash positioning across all business units

Most finance teams are making cash decisions on data that is 30–45 days old. In a market moving at this pace, that is not a forecast, it is history.

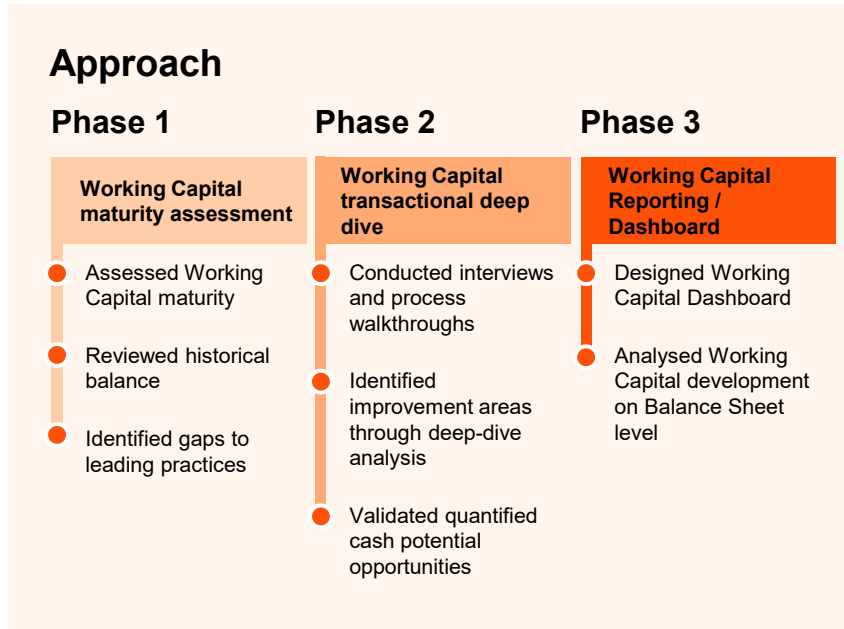
How we have helped clients unlock cash and enhance treasury resilience

Case Study #1: Inventory-led working capital improvement for a savoury snack manufacturer

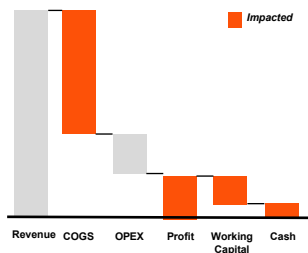
Context

Client is a major savoury snacks manufacturer with a broad portfolio including potato chips, nuts, specialty snacks, and baked products, with operations organised into 11 management units across Europe and three manufacturing sites in Vietnam.

The client engaged PwC to review working capital levels to unlock cash and assess treasury maturity to improve transparency across its operating companies.



Factors of financial bridge impacted



Results

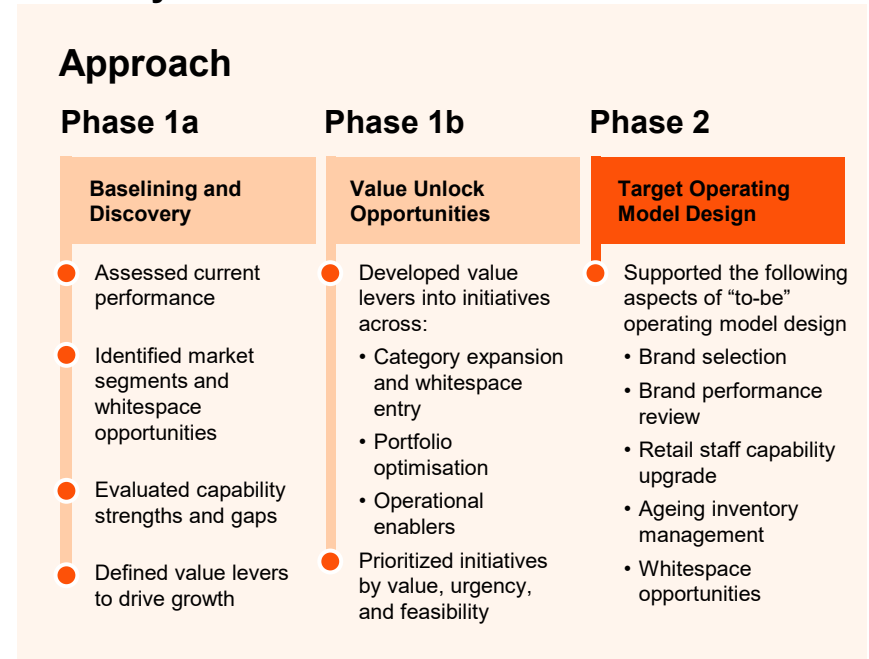
- Standardised inventory controls; developed a real-time dashboard
- ~\$7M opportunity to reduce export-grade finished goods inventory
- ~\$2.5M bottom-line improvement through processes improvements

Case Study #2: EBITDA and working capital improvement for a leading Vietnamese luxury fashion retailer

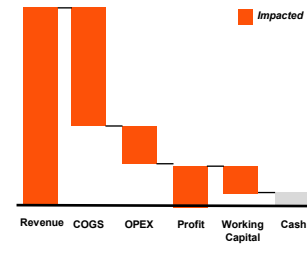
Context

Client is a Vietnamese luxury fashion retailer operating multiple stores across more than 20 brands in categories spanning jewelry and watches, apparel, and footwear.

The client engaged PwC to support them address key performance challenges, including low sell-through rates, elevated inventory levels, and low EBITDA.



Factors of financial bridge impacted



Results

- An estimated USD 2.6M incremental EBITDA uplift
- Sales enhancement through portfolio and budget rationalisation, structured brand selection and sales staff capability development
- Working capital improvement through ageing inventory liquidation through 3rd party vendors

How we have helped clients unlock cash and enhance treasury resilience

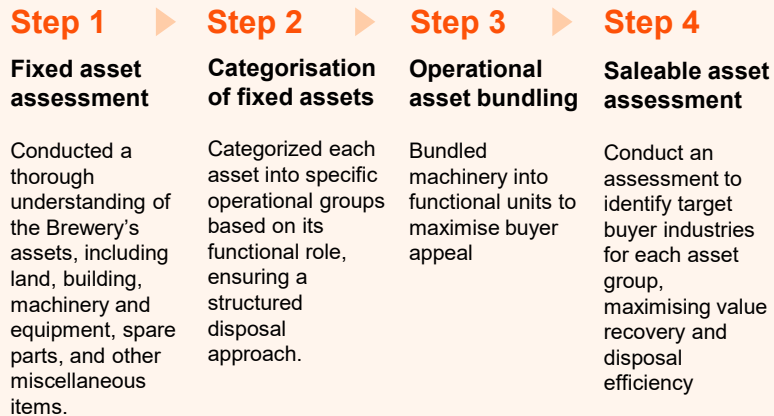
Case Study #3: Advisory support on asset disposal strategy for a leading beer manufacturer in Vietnam

Context

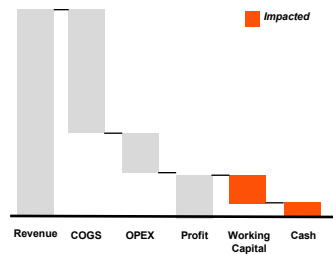
Our client is a global household name in beer manufacturing and a popular brand in Vietnam.

The MNC strategically decided to close one of its breweries in Central Vietnam. Thus, the company requested PwC in developing an asset disposal strategy that focuses on maximising value recovery and optimising the efficiency of its disposal process.

Approach



Factors of financial bridge impacted



Results

- Completed fixed asset inventory, including Original Cost, Net Book Value, and related spare parts
- Categorised assets and spare parts into operational groups, with details on Net Book Value, useful life, and maintenance costs
- Identified suitable buyer industries for each asset group, with optimal future-use recommendations

Case Study #4: Advisory support to client in securing short-term financing through needs assessment and lender engagement

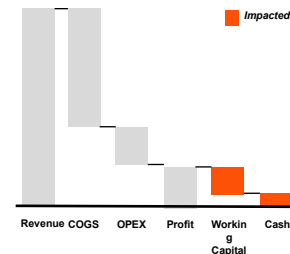
Context

PwC was engaged by a garden tools manufacturer and distributor to identify and select financing options to address its working capital and short-term funding needs. The client operated with an inventory-heavy business model and faced long collection cycles from overseas customers

Approach



Factors of financial bridge impacted



Results

- Formulated an offshore export financing structure for the client
- Finalised the financing arrangement with the selected lender
- Piloted invoice financing for the top 20% of sales invoices
- Reduced cash burden and improved liquidity sustainability

Is This Urgent For You? A Quick Self-Assessment

If you answer YES to 3 or more of these questions, your business is likely holding significant trapped cash - and the current environment is making the position worse every week.

High Impact

- 1 Is your **Cash Conversion Cycle (CCC)** greater than 60 days?
- 2 Are more than **25% of your customer invoices overdue** beyond agreed payment terms?
- 3 Has your **borrowing or overdraft increased** in the past 12 months to fund working capital?
- 4 Are **oil-linked input costs (logistics, synthetics, energy) rising** faster than your selling prices?

Medium Impact

- 5 Are you holding **more than 60 days of inventory** - including safety stock built for supply chain risk?
- 6 Are you **paying suppliers in less than 30 days** while collecting from customers in 60+ days?
- 7 Do you **lack a structured FX or commodity hedge programme** covering your USD and oil-linked exposures?
- 8 Do you **lack real-time visibility of cash positions** across all subsidiaries or business units?

The Clock is Running

Every day of delay is cash you are not using - and a risk you are not managing

What is the opportunity?

~USD 1.4M

freed immediately

by reducing your cash conversion cycle by just 5 days on USD 100M revenue

Revenue	5 days	10 days
USD 30M	~USD 0.4M	~USD 0.8M
USD 100M	~USD 1.4M	~USD 2.7M
USD 300M	~USD 4.1M	~USD 8.2M

Cash freed (USD) = (days improved ÷ 365) × revenue

PwC support:

No cost, no obligation

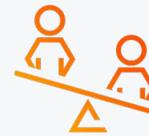


Treasury and Cash Risk Scan

A 30-min one-on-one conversation to identify your top treasury and cash improvement priorities.

[Request Now](#)

Complimentary



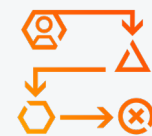
CCC Benchmarking

We benchmark your DSO, DIO and DPO against Vietnam peers and quantify your opportunity in a focused session.

[Request your benchmark](#)

Most popular starting point

Fee-based engagement



Rapid Diagnostic Engagement

2–3 week rapid assessment delivering an improvement roadmap with quick wins and a 12-month action plan.

[Engage Us](#)

Get in touch



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