

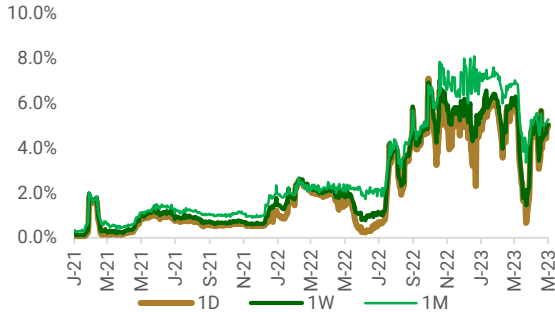
APRIL - 2023

Updated: 12/05/2023

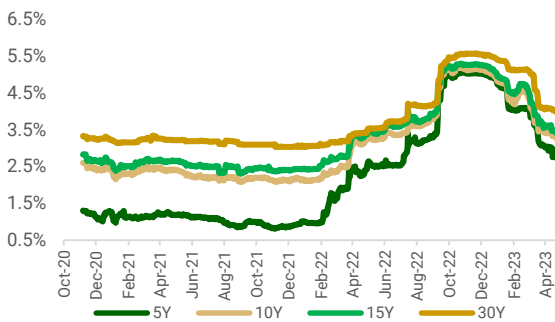
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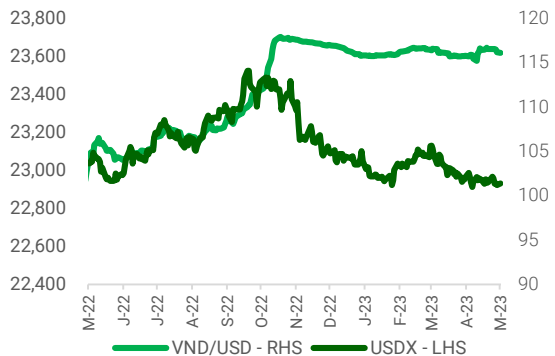
INTERBANK INTEREST RATES



T-BOND TRADING YIELD



VND/USD EXCHANGE RATE



(Sources: Bloomberg, PHS compiles)

MONEY MARKET

Open market operations:

In April 2023, the State Bank of Vietnam (SBV) net injected VND 102,387 billion into the market through the repo operations to support the economy.

Interbank Interest rates:

In April 2023, although the SBV conducted a net injection, the interbank interest rate increased because (1) the stable term deposits of the State Treasury at major banks were withdrawn to fund the public investment projects, which led to a decrease in liquidity; (2) A sharp increase in USD interest rates caused the difference in interest rates between VND and USD to become negative. The low VND interest rate prompt banks to borrow VND at low interest rates and then switch to USD to lend at higher interest rates in the interbank market. This led to an increase in the demand for loans in VND.

Exchange rate:

The central exchange rate of VND/USD increased mildly in APR 2023 because: (1) US inflation is declining rapidly, (2) the amount of remittances to Vietnam was raising; (3) Large trade surplus in 4M 2023 (over USD 6.4 billion).

As of 28 APR 2023, VND has depreciated by about 0.11%YTD.

FIXED INCOME MARKET

Primary government bond market:

In April 2023, the State Treasury offered VND 29,000 Bn of T-bond. The winning bidding ratio hit 80.5%, equivalent to VND 23,335 Bn.

Both the 5Y, 10Y, 15Y, and 30Y tenor winning interest rates declined 18 bps, 23 bps, 27 bps and 14 bps compared to last month, respectively.

Secondary government bond market:

The trading value of secondary government bond market rose 19%MoM in April 2023 to 6,535 Bn/session.

The average trading yield on the secondary market fell strongly in April 2023.

Corporate bond market:

In April 2023, the issuance of corporate bonds was low. Only North Star Holdings Joint Stock Company issued VND 671 billion bonds with a term of 16 months at an interest rate of 14%/year.

Credit rating:

In September 2022, Moody's Investors Service upgraded Vietnam's long-term national credit rating to Ba2 from Ba3 with Stable Outlook.

According to Moody, Vietnam's economic strength is underpinned by its increasing competitiveness and deepening participation in global value chains.