

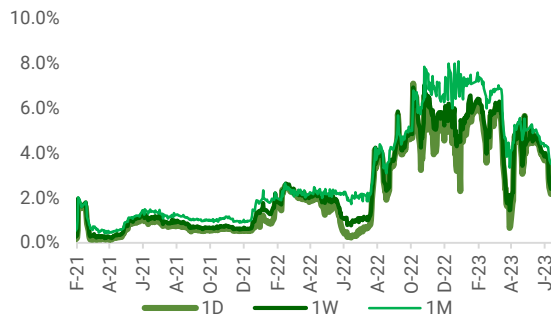
**MAY - 2023**

Updated: 15/06/2023

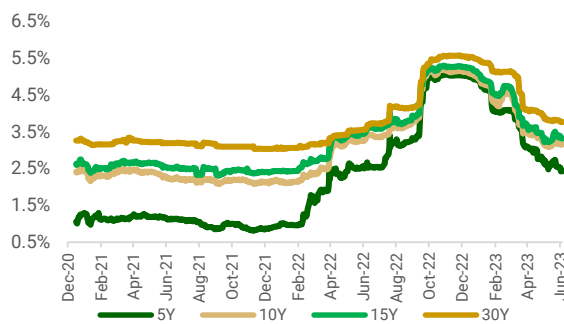
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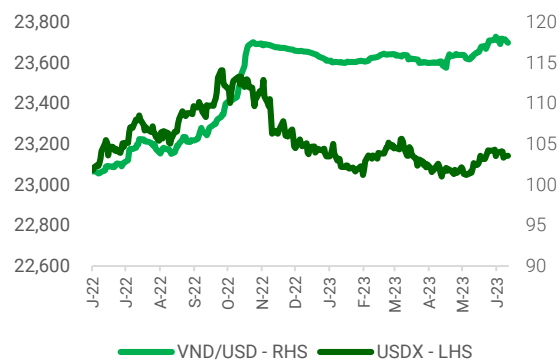
## INTERBANK INTEREST RATES



## T-BOND TRADING YIELD



## VND/USD EXCHANGE RATE



(Sources: Bloomberg, PHS compiles)

## MONEY MARKET

### Open market operations:

In May 2023, the State Bank of Vietnam (SBV) net injected VND 8,130 billion into the market through the repo operations to support the economy.

### Interbank Interest rates:

On 25 MAY 2023, SBV decided to reduce key rates the third time. In response to the SBV's actions, in May 2023, interbank interest rates for 1-day, 1-week and 1-month terms reduced by 0.734 percentage points, 0.631 percentage points, and 0.717 percentage points, respectively.

### Exchange rate:

The central exchange rate of VND/USD increased mildly in May 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 31 MAY 2023, VND has appreciated by about 0.48%YTD.

## FIXED INCOME MARKET

### Primary government bond market:

In May 2023, the State Treasury offered VND 20,000 Bn of T-bond. The winning bidding ratio hit 68.2%, equivalent to VND 13,647 Bn.

The 5Y, 10Y, 15Y and 30Y tenor winning rates declined respectively 35 bps, 27 bps, 28 bps, and 26 bps, compared to last month. Particularly, 20Y tenor winning rates reduced 56 bps MoM.

### Secondary government bond market:

The trading value of secondary government bond market rose 1%MoM in May 2023 to 6,628 Bn/session.

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

### Corporate bond market:

In May 2023, the issuance of corporate bonds was re-activated with total issuance value of VND 2,915 bn (+334%MoM).

### 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.