

# Fixed-income Perspectives

## SBV supports liquidity while USDVND rises

### SBV injects significantly liquidity

In 29W25 (14 to 18 July), the SBV recorded a significant net injection to support liquidity in the banking system. Specifically, the SBV injected VND44.01tn via repos, issuing VND134.23tn to offset VND90.22tn in maturing contracts. Besides, VND14.40tn was injected through T-bills, with VND7.00tn newly issued and VND21.40tn maturing during the week. In total, the SBV injected a net VND58.41tn into the banking system.

### Interbank rates surge

This week, interbank rates rose sharply across short tenors, accompanied by a slightly decrease in trading value. Specifically, rates for actively traded tenors such as overnight, 1-week, 2-week, 1-month, and 3-month increased by 27bps, 27bps, 23bps, 20bps, and 10bps, respectively, settling at 4.77%, 4.77%, 4.73%, 4.70%, and 4.70%. Average daily trading value was VND478.14tn, down 4.94% from the previous week.

### USDVND regains

This week, the USDVND rose by 0.18% from the previous week, closing at 26,340 on Friday. Domestically, the exchange rate eased as foreign investor activity in the stock market declined. On the global front, DXY gained for a second consecutive week, rising by 0.64% amid strong U.S. economic data, including better-than-expected retail sales and low jobless claims, which reduced expectations for near-term Fed rate cuts. Political uncertainty briefly pressured the dollar when reports surfaced that Donald Trump might remove Fed Chair Jerome Powell if re-elected, though the DXY quickly recovered.

### Vietnam economic indicators

	25-Jan	25-Feb	25-Mar	25-Apr	25-May	25-Jun	corr.
FDI %YoY	2.0	9.1	9.9	7.7	9.8	8.7	-0.22
Retail sales %YoY	9.9	9.4	9.8	9.3	9.5	8.3	-0.17
Export %YoY	-4.0	25.7	14.5	19.7	17.0	16.3	-0.07
Import %YoY	-2.6	40.0	19.0	22.8	14.1	20.2	0.02
Trade balance (USD bn)	3.1	-1.5	1.6	0.6	0.6	2.8	-0.05
CPI %MoM	0.98	0.34	-0.03	0.07	0.16	0.48	-0.04
Credit %YoY	16.5	16.8	14.1	17.6	18.5	16.8	-0.28
USDVND %MoM	-1.59	1.89	0.03	1.64	0.15	0.30	-0.32
PMI (pts)	48.9	49.2	50.5	45.6	49.8	48.9	-0.07
VNINDEX return (%)	-0.1	3.2	0.1	-6.1	9.2	3.5	1.00

Source: SBV, GSO, Bloomberg, KIS

<sup>1</sup> Correlation to VNINDEX's monthly return

Green = acceleration; yellow = deceleration; red = contraction.

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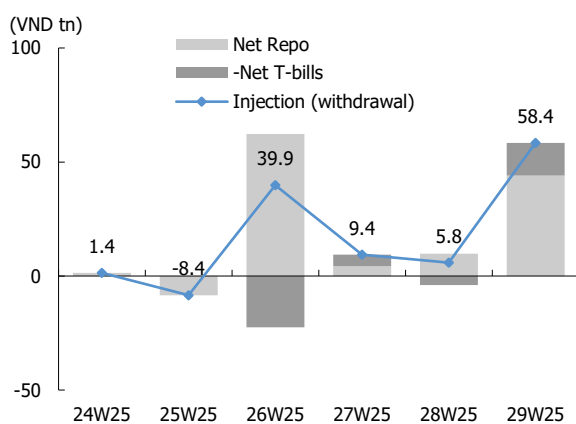
# I. SBV injects significantly liquidity

## SBV maintains net injection to support liquidity in the banking system

In 29W25 (14 to 18 July), the SBV recorded a significant net injection to support liquidity in the banking system. Specifically, the SBV injected VND44.01tn via repos, issuing VND134.23tn to offset VND90.22tn in maturing contracts. Besides, VND14.40tn was injected through T-bills, with VND7.00tn newly issued and VND7.40tn maturing during the week. In total, the SBV injected a net VND58.41tn into the banking system.

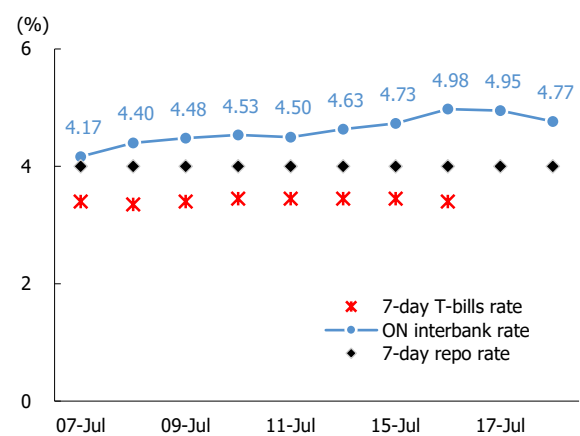
This week, the banking system likely faced short-term liquidity pressure, prompting a surge in banks' demand for OMO funding. In the coming weeks, the government's low interest rate orientation is expected to persist, supporting banks' operations in meeting the 2025 growth targets.

**Figure 1. Net injection (withdrawal) of liquidity**



Source: SBV, KIS

**Figure 2. Interest rate corridor**



Source: SBV, KIS

**Figure 3. Repo transactions: 7&14-day tenor**

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
14-Jul-25	21-Jul-25	7	17.16	4.00
15-Jul-25	22-Jul-25	7	31.07	4.00
16-Jul-25	23-Jul-25	7	30.00	4.00
17-Jul-25	24-Jul-25	7	24.68	4.00
18-Jul-25	25-Jul-25	7	7.94	4.00
<b>Total</b>		<b>7</b>	<b>110.85</b>	<b>4.00</b>

Source: SBV, KIS

**Figure 4. Repo transactions: 91-day tenor**

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
15-Jul-25	14-Oct-25	91	4.91	4.00
17-Jul-25	16-Oct-25	91	0.10	4.00
18-Jul-25	17-Oct-25	91	1.73	4.00
<b>Total</b>		<b>91</b>	<b>6.74</b>	<b>4.00</b>

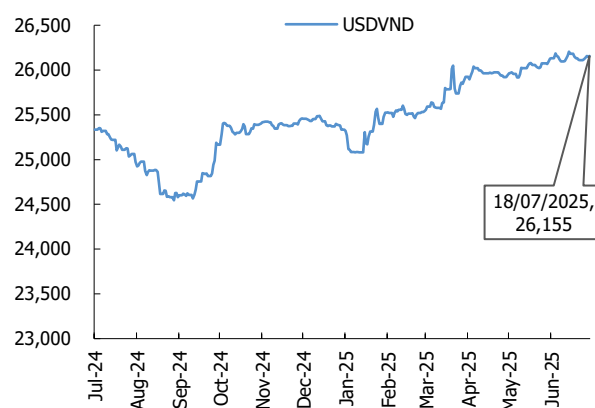
Source: SBV, KIS

**Figure 5. T-bills transactions: 7-day tenor**

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
14-Jul-25	21-Jul-25	7	5.00	3.45
15-Jul-25	22-Jul-25	7	1.00	3.45
16-Jul-25	23-Jul-25	7	1.00	3.40
<b>Total</b>		<b>7</b>	<b>7.00</b>	<b>3.43</b>

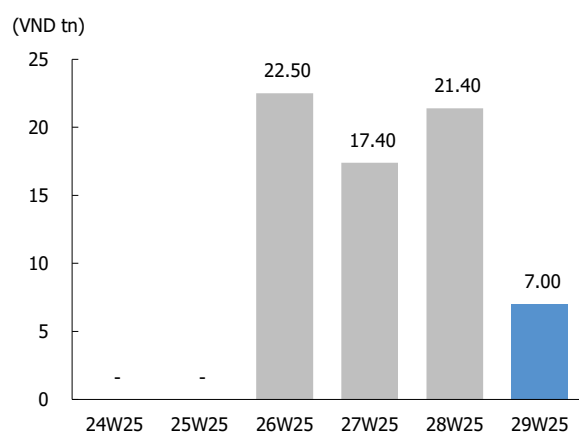
Source: SBV, KIS

**Figure 6.USDVND movement**



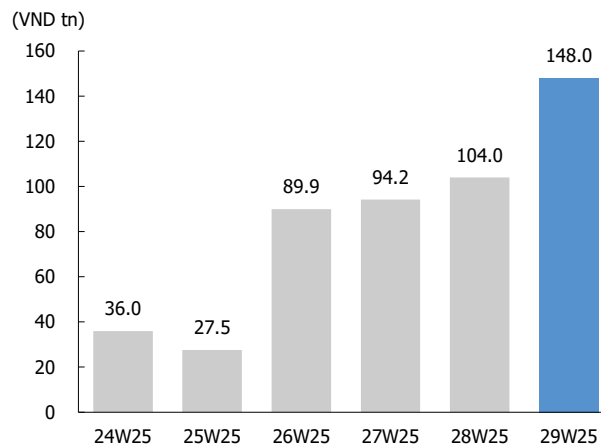
Source: SBV, KIS

**Figure 7. Outstanding amount of bills**



Source: SBV, KIS

**Figure 8. Outstanding amount of repos**



Source: SBV, KIS

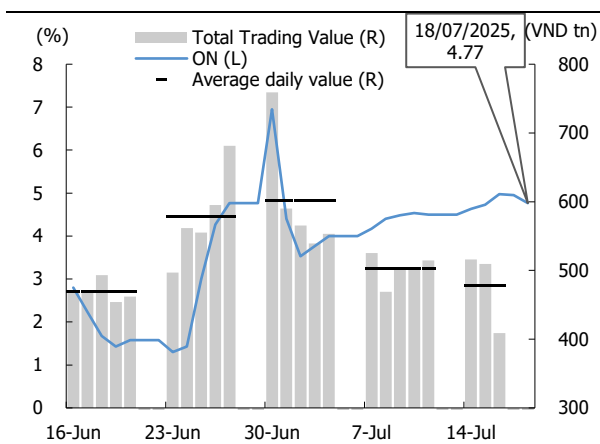
## II. Interbank rates surge

**Interbank rates surged at short tenors despite strong net injection from SBV**

This week, interbank rates rose sharply across short tenors, accompanied by a slightly decrease in trading value. Specifically, rates for actively traded tenors such as overnight (ON), 1-week (1W), 2-week (2W), 1-month (1M), and 3-month (3M) increased by 27bps, 27bps, 23bps, 20bps, and 10bps, respectively, settling at 4.77%, 4.77%, 4.73%, 4.70%, and 4.70%. Average daily trading value was VND478.14tn, down 4.94% from the previous week.

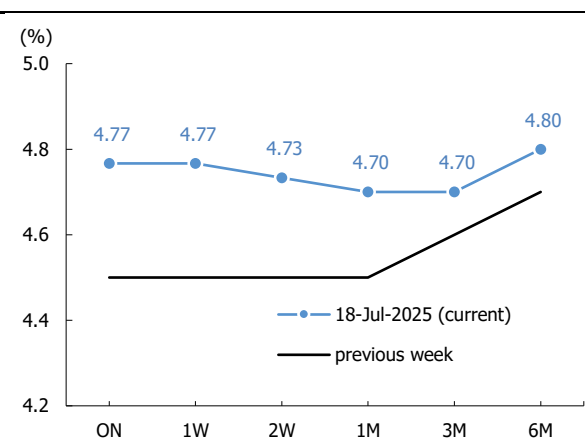
These movements indicate that the short-term liquidity tightening in the banking system may be due to a decline in supply from banks. However, the SBV's sizable net injection via repo operations clearly reflects its intent to support liquidity. As a result, interbank rates are expected to stabilize in the coming sessions.

**Figure 9. Interbank daily transaction**



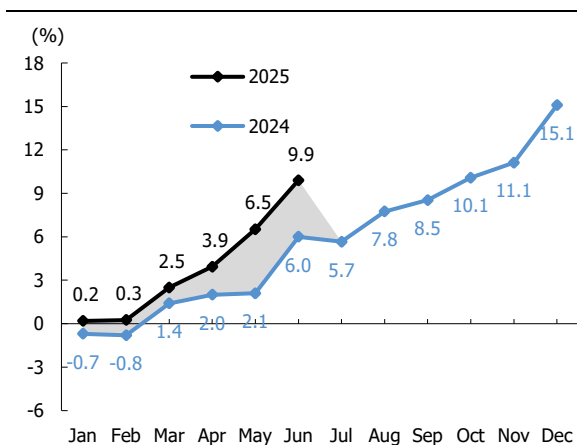
Source: SBV, Bloomberg, KIS

**Figure 10. Interbank rate curve**



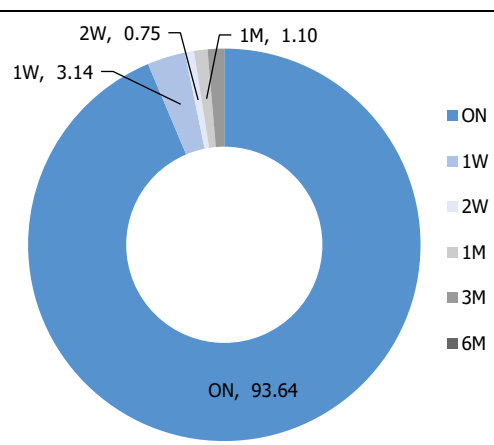
Source: SBV, Bloomberg, KIS

**Figure 11. Credit growth by month of the year**



Source: SBV, Bloomberg, KISVN  
Note: Updated by 30 June, 2024

**Figure 12. Interbank transaction structure**



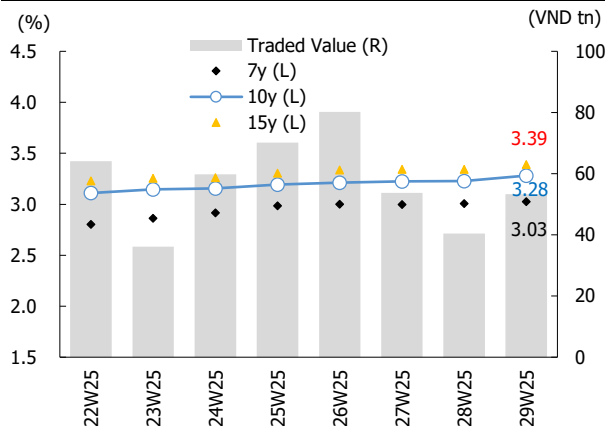
Source: SBV, Bloomberg, KISVN

### III. G-bond yields climb further

#### G-bond yields continue to rise across most tenors

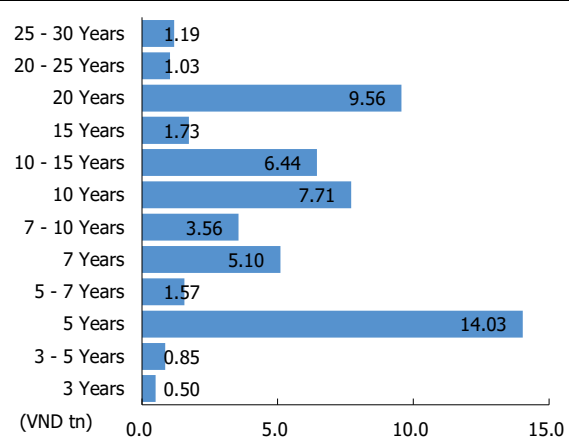
In 29W25, G-bond yields on the secondary market rose faster than the previous week with a significantly higher traded value, indicating a heightened selling pressure in this week. In more detail, 7-year, 10-year, and 15-year yields rose by 2bps, 5bps, and 5bps to reach 3.03%, 3.28%, and 3.39%, respectively. Total trading value was VND53.27tn, or VND10.65tn per trading session, increasing sharply by 31.88% from the previous week.

Figure 13. G-bond traded value by week



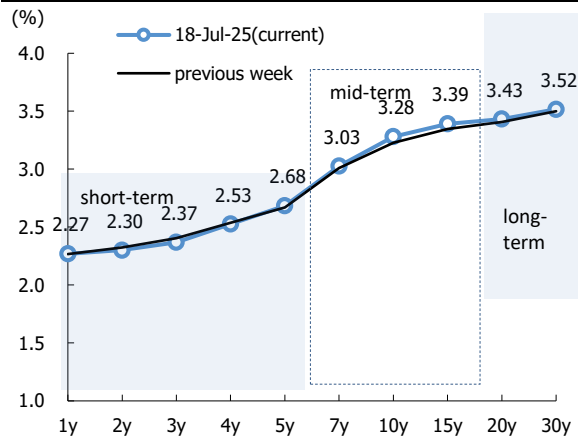
Source: HNX, Bloomberg, KIS

Figure 14. G-bond traded value by tenor



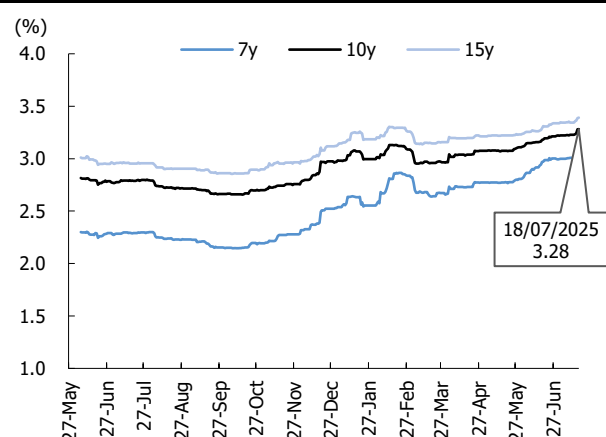
Source: HNX, Bloomberg, KIS

Figure 15. G-bond trading yield curve



Source: HNX, VBMA, KIS

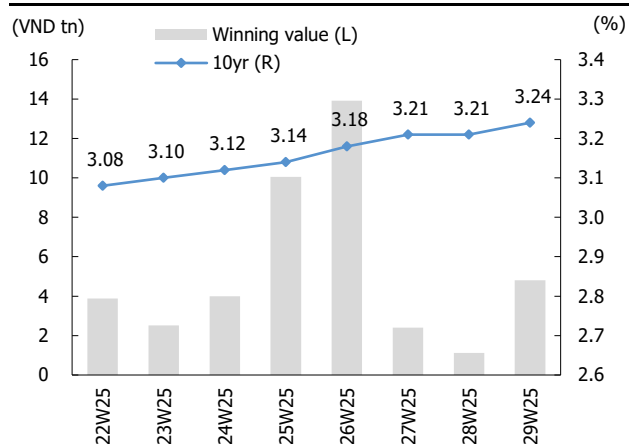
Figure 16. Historical daily government bond yields



Source: HNX, VBMA, KIS

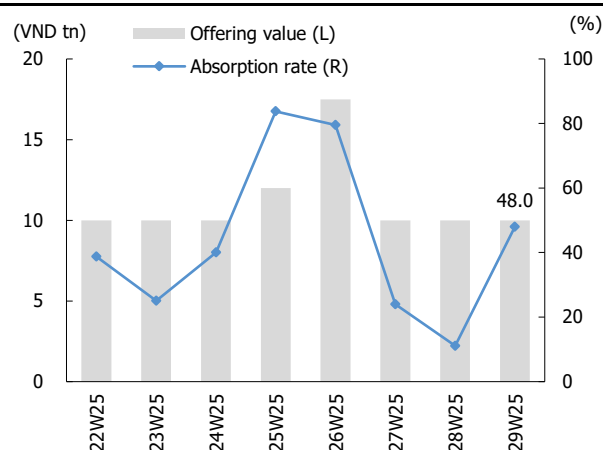
On the primary market, the 10-year G-bond yield rose notably by 3bps, reaching 3.24%, as the issuing pressure mounted. Specifically, the VST issued VND4.80tn worth of G-bonds this week, a fourfold increase compared to the previous week. Since the beginning of 2025, the VST has issued a total of VND209.7tn in G-bonds, completing 41.9% of the annual plan—slightly behind the 45.8% progress recorded in the same period of 2024. As a result, issuance pressure is expected to intensify in the second half of 2025, particularly for the VST's prefer 10-year tenor, which could continue to push G-bond yields higher.

**Figure 17. Weekly winning values**



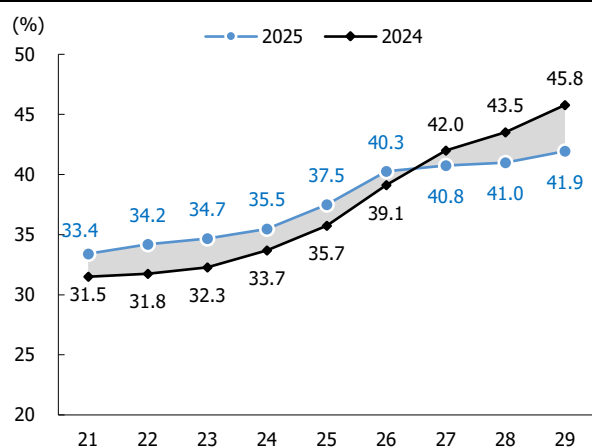
Source: HNX, KIS

**Figure 18. Weekly absorption rate**



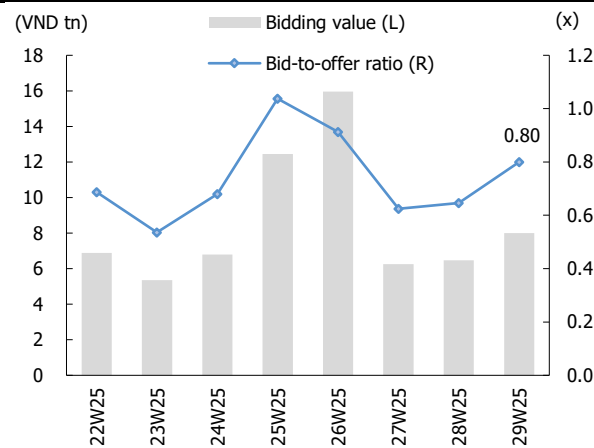
Source: HNX, KIS

**Figure 19. Completion ratio by week-of-the-year**



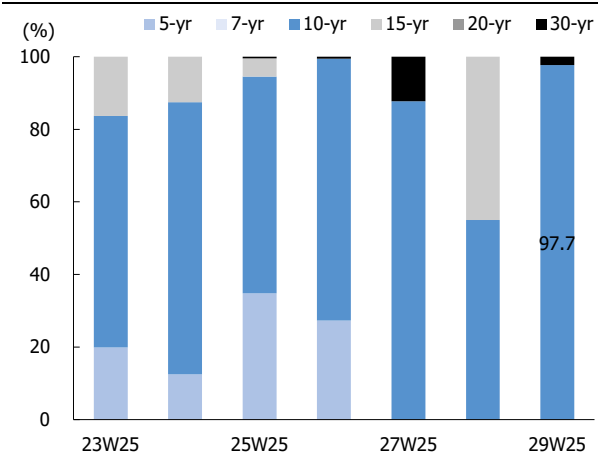
Source: HNX, KIS

**Figure 20. Weekly bid-to-offer ratio**



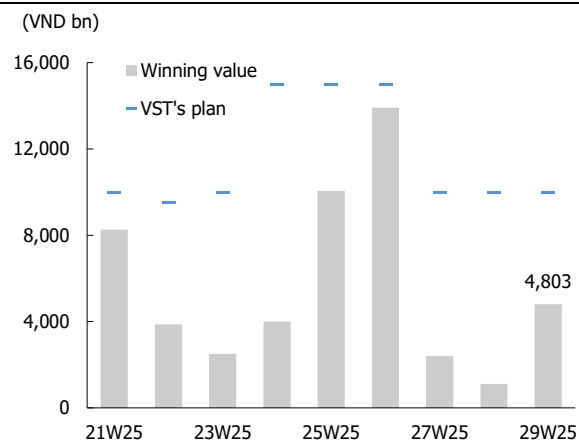
Source: HNX, KIS

**Figure 21. Weekly winning G-bond structure**



Source: HNX, KIS

**Figure 22. Weekly issued amount of G-bond**



Source: HNX, KIS

## IV. USDVND regains

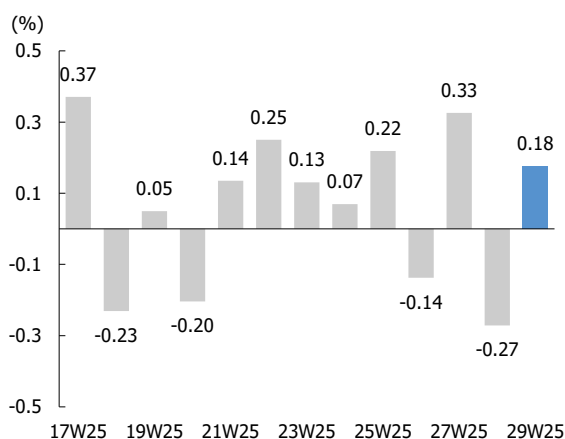
### **USDVND rebounds on cooling foreign stock purchases**

This week, the USDVND rose by 0.18% from the previous week, closing at 26,340 on Friday. Domestically, the exchange rate eased as foreign investor activity in the stock market declined, with net purchases totaling only VND1.22tn, equivalent to 0.71% of total trading value, down sharply from 4.6% the week before.

On the global front, the U.S. Dollar Index (DXY) gained for a second consecutive week, rising by 0.64% amid strong U.S. economic data, including better-than-expected retail sales and low jobless claims, which reduced expectations for near-term Fed rate cuts. Political uncertainty briefly pressured the dollar when reports surfaced that Donald Trump might remove Fed Chair Jerome Powell if re-elected, though the DXY quickly recovered.

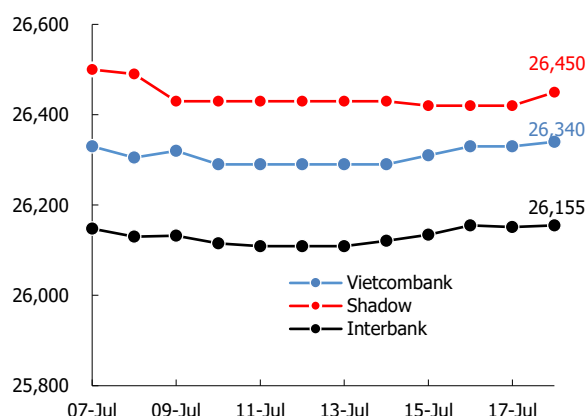
Across FX segments, USD ask price at Vietcombank and at the shadow market rose 0.19% (50ppts) and 0.08% (20ppts) compared to the last week, posting 26,340 and 26,450, respectively.

**Figure 23. Weekly USDVND performance**



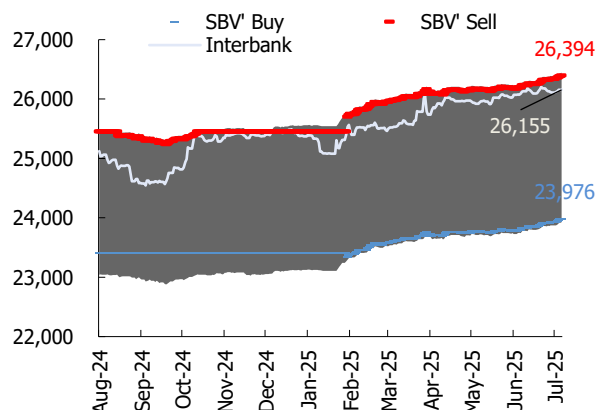
Source: Bloomberg, KIS

**Figure 24. VCB & shadow market USDVND spread**



Source: SBV, Vietcombank, KIS

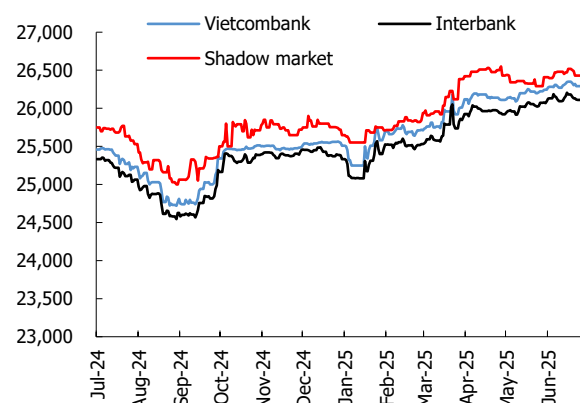
**Figure 25. SBV's movement**



Source: SBV, Bloomberg, Fiinpro, KIS

Note: shaded region is the daily trading band. The effective trading band is +/- 5% (the effective date is 17 October, 2022).

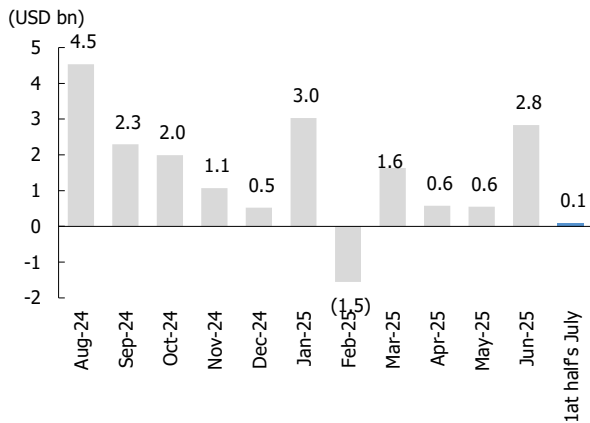
**Figure 26. USDVND by market**



Source: SBV, Bloomberg, KIS

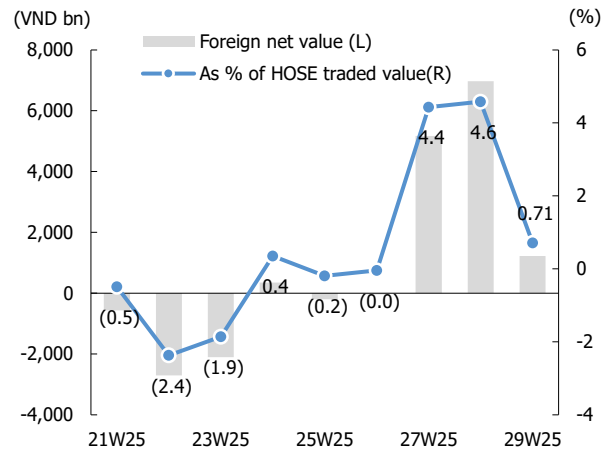


**Figure 27. Vietnam's trade balance by month**



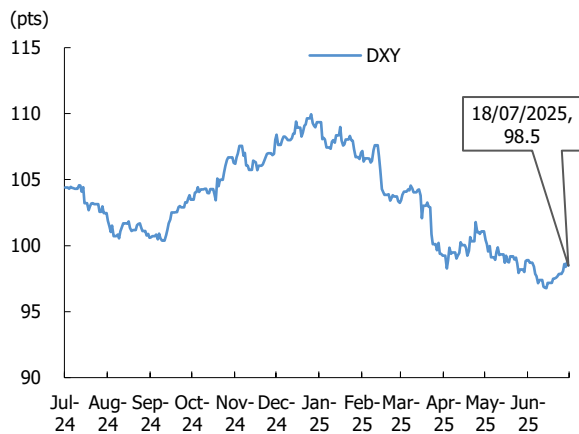
Source: GSO, KIS  
Note: Updated until 18 July, 2025

**Figure 28. Trading of the foreign bloc in Vietnamese stock market**



Source: Fiinpro, KIS

**Figure 29. Historical DXY**



Source: Bloomberg, KIS

**Figure 30. Weekly change of USDVND and peers**

		27W25	28W25	29W25	2025 YTD
China	USDCNY	-0.10	0.06	0.06	-1.71
EU	USDEUR	-0.51	0.76	0.54	-10.94
Mexico	USDMXN	-1.04	0.05	0.60	-9.71
Vietnam	USDVND	0.33	-0.27	0.18	2.62
Canada	USDCNY	-0.64	0.67	0.25	-4.85
Taiwan	USDTWD	-0.79	0.95	0.67	-10.63
Japan	USDJPY	-0.12	2.05	0.94	-5.34
South Korea	USDKRW	0.12	1.02	0.98	-5.52
Thailand	USDTHB	-0.80	0.46	-0.38	-5.03
DXY	U.S. Dollar Index	-0.23	0.69	0.64	-9.22

Source: SBV, Bloomberg  
Note: Green = appreciation; yellow = appreciate at slower pace; red = depreciation.

Macro scorecard

	25-Feb	25-Mar	25-Apr	25-May	25-Jun	3Q24	4Q24	1Q25	2Q25	2021	2022	2023	2024
Real GDP growth (%)						7.43	7.55	7.05	7.96	2.58	8.02	5.05	7.09
Registered FDI (USD bn)	4.34	2.57	4.08	2.82	3.14	9.59	13.44	10.98	10.54	31.15	27.72	36.61	38.23
GDP per capita (USD)										3,725	4,110	4,285	4,479
Unemployment rate (%)						2.23	2.22	2.20	2.22	3.22	2.32	2.26	2.24
Export (USD bn)	32.15	31.11	38.51	37.45	39.49	108.6	105.9	102.84	116.93	335.7	371.85	355.5	405.5
Import (USD bn)	30.92	32.66	36.88	36.87	36.66	99.7	101.9	99.68	112.52	331.1	360.65	327.5	380.8
Export growth (%)	-4.05	25.67	14.49	19.75	16.31	15.82	11.46	10.64	18.03	18.74	10.61	-4.4	14.3
Import growth (%)	-2.32	39.99	18.99	22.95	20.16	17.19	14.91	17.03	18.77	25.9	8.35	-8.9	16.7
Inflation (%)	3.63	2.91	3.13	3.12	3.57	3.48	2.87	3.22	3.31	1.84	3.15	3.25	3.63
USD/VND	25,082	25,530	25,565	25,983	26,121	24,093	25,386	25,565	26,121	22,790	23,650	23,784	25,386
Credit growth (%)	16.1	15.7	16.3	18.53	17.48	16.1	13.8	16.3	17.48	13.61	14.2	13.7	13.8
10Y gov't bond (%)	2.99	3.18	3.06	3.20	3.34	2.66	2.94	3.06	3.34	2.11	5.08	2.39	2.94

Source: GSO, Bloomberg, FIA, IMF

## Appendix

**Figure 1. Vietnam's balance of payment (USD bn)**

	2021	2022	2023	2Q24	3Q24	4Q24
Current account	(4.6)	(1.1)	25.1	4.5	7.8	7.5
Goods, credit (exports)	335.9	371.3	354.7	97.9	108.2	105.9
Goods, debit (imports)	318.5	345.6	310.7	89.3	94.6	97.0
Balance on goods	17.5	25.7	44.0	8.5	13.6	8.9
Services, credit (exports)	4.2	12.9	19.6	5.5	5.9	6.6
Services, debit (imports)	19.9	25.5	29.1	8.3	9.8	9.6
Primary income, credit	1.0	2.3	4.6	1.4	1.4	1.4
Primary income, debit	17.7	22.0	27.0	5.4	6.1	3.8
Secondary income, credit	13.6	12.2	16.1	3.8	3.9	5.1
Secondary income, debit	3.2	6.7	3.1	1.1	1.0	1.0
Financial account	(30.9)	(9.5)	(2.8)	(6.3)	(2.7)	0.3
Direct investment, assets	0.3	2.7	1.6	(0.1)	(0.2)	(0.2)
Direct investment, liabilities	15.7	17.9	18.5	5.0	5.2	6.4
Portfolio investment, assets	(0.0)	(0.0)	0.0	0.0	(0.1)	0.0
Portfolio investment, liabilities	0.3	1.5	(1.2)	(1.6)	(0.8)	(2.0)
Other investment, assets	0.6	13.7	(14.3)	(5.2)	(2.6)	(4.3)
Other investment, liabilities	15.9	6.4	(7.4)	(4.4)	(4.2)	0.4
Net errors and omissions	(10.4)	(31.1)	(16.6)	(4.3)	(5.1)	(9.4)
Reserves and related items	15.9	(22.7)	(5.6)	6.1	(0.1)	1.7

Source: SBV, IMF, KIS

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