

Fixed-income Perspectives

SBV resumes net injection while USDVND holds steady

SBV resumes net liquidity injection

In 39W25 (22 to 26 September), the SBV recorded a net liquidity injection to support the banking system. Specifically, the SBV issued VND79.81tn of new repos, while VND50.50tn matured, resulting in a net injection of VND29.31tn.

Interbank rates rise

This week, interbank rates recorded increases across short tenors. Specifically, the overnight, 1-week, 2-week, and 1-month rates rose by 43bps, 153bps, 93bps, and 43bps, respectively, reaching 4.20%, 5.50%, 5.50%, and 5.30%. Other tenors remained unchanged. Meanwhile, average trading volume climbed to VND1,280.34tn, up 28.49% from the previous week.

USDVND edges up

This week, USDVND increased moderately by 0.08% (21ppts), while the DXY rose 0.52% on Friday. Globally, the greenback firmed following Chair Powell's remarks on current risks facing the U.S. economy, with a weakening labor market and persistent inflation weighing on rate expectations for upcoming FOMC meetings. However, inflation data released at the end of the week came in line with expectations, which helped ease those concerns.

Vietnam economic indicators

	25-Mar	25-Apr	25-May	25-Jun	25-Jul	25-Aug	corr.
Disbursed FDI %YoY	9.9	7.7	9.8	8.7	10.3	11.9	-0.22
Retail sales %YoY	9.8	9.3	9.5	8.3	8.6	10.6	-0.17
Export %YoY	14.5	19.7	17.0	16.4	16.0	14.5	-0.07
Import %YoY	19.0	22.8	14.1	20.2	17.8	17.7	0.02
Trade balance (USD bn)	1.6	0.6	0.6	2.9	2.3	3.7	-0.05
CPI %MoM	-0.03	0.07	0.16	0.48	0.11	0.05	-0.04
Credit %YoY	14.1	17.6	18.5	16.8	19.1	19.9	-0.28
USDVND %MoM	0.03	1.64	0.15	0.30	0.39	0.55	-0.32
PMI (pts)	50.5	45.6	49.8	48.9	52.4	50.4	-0.07
VNINDEX return (%)	0.1	-6.1	9.2	3.5	9.3	12.1	1.00

Source: SBV, GSO, Bloomberg, KIS

¹ Correlation to VNINDEX's monthly return

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

Contents

I. SBV resumes net liquidity injection	1
II. Interbank rates rise	3
III. G-bond yields continue to rise.....	4
IV. USDVND edges up.....	6
Macro scorecard	8
Appendix	9

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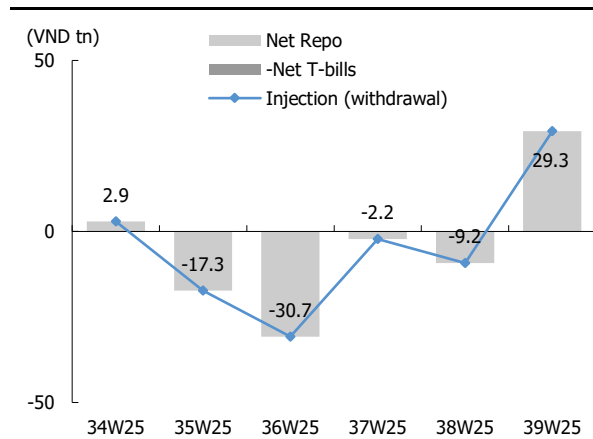
I. SBV resumes net liquidity injection

SBV injects net liquidity after 4 consecutive weeks of withdrawal

In 39W25 (22 to 26 September), the SBV recorded a net liquidity injection to support the banking system. Specifically, the SBV issued VND79.81tn of new repos, while VND50.50tn matured, resulting in a net injection of VND29.31tn.

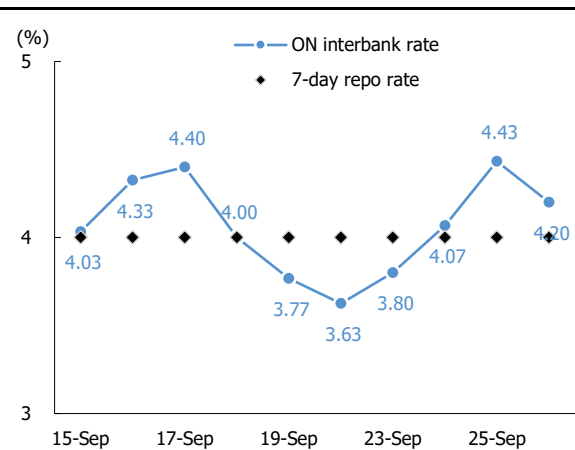
This development indicates rising liquidity pressures in the banking system after 4 consecutive weeks of net withdrawals. In the coming weeks, we expect the SBV to remain focused on ensuring the smooth functioning of the banking system by maintaining adequate liquidity and preventing funding-cost pressures in the money market.

Figure 1. Net injection (withdrawal) of liquidity



Source: SBV, KIS

Figure 2. Interest rate corridor



Source: SBV, KIS

Figure 3. Repo transactions: 7 days tenor

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
22-Sep-25	29-Sep-25	7	1.00	4.00
23-Sep-25	30-Sep-25	7	1.00	4.00
24-Sep-25	1-Oct-25	7	9.00	4.00
25-Sep-25	2-Oct-25	7	10.57	4.00
26-Sep-25	3-Oct-25	7	5.00	4.00
Total		7	26.56	4.00

Source: SBV, KIS

Figure 4. Repo transactions: 14 days tenor

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
22-Sep-25	6-Oct-25	14	1.00	4.00
23-Sep-25	7-Oct-25	14	5.00	4.00
24-Sep-25	8-Oct-25	14	6.00	4.00
25-Sep-25	9-Oct-25	14	12.00	4.00
26-Sep-25	10-Oct-25	14	4.00	4.00
Total		14	28.00	4.00

Source: SBV, KIS

Figure 5. Repo transactions: 28 days tenor

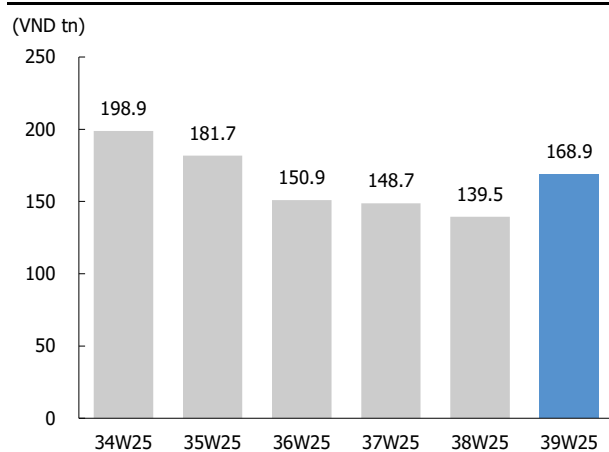
Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
22-Sep-25	20-Oct-25	28	1.00	4.00
23-Sep-25	21-Oct-25	28	5.00	4.00
24-Sep-25	22-Oct-25	28	3.00	4.00
25-Sep-25	23-Oct-25	28	5.00	4.00
26-Sep-25	24-Oct-25	28	6.00	4.00
Total		28	20.00	4.00

Source: SBV, KIS

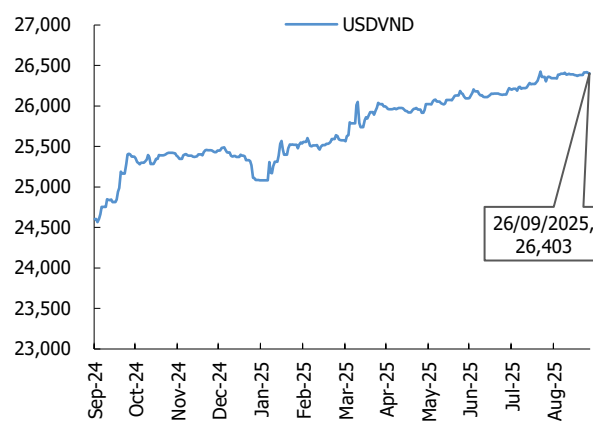
Figure 6. Repo transactions: 91 days tenor

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
22-Sep-25	22-Dec-25	91	1.00	4.00
23-Sep-25	23-Dec-25	91	1.00	4.00
24-Sep-25	24-Dec-25	91	1.00	4.00
25-Sep-25	25-Dec-25	91	0.25	4.00
26-Sep-25	26-Dec-25	91	2.00	4.00
Total		91	5.25	4.00

Source: SBV, KIS

Figure 7. Outstanding amount of repos

Source: SBV, KIS

Figure 8. USDVND movement

Source: SBV, KIS

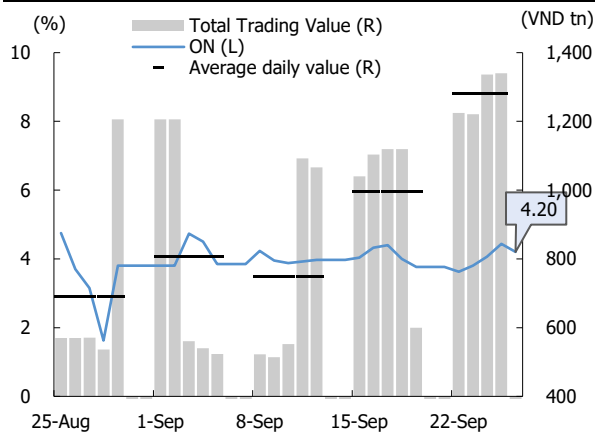
II. Interbank rates rise

Interbank rates increase across short tenors

This week, interbank rates recorded increases across short tenors. Specifically, the overnight (ON), 1-week (1W), 2-week (2W), and 1-month (1M) rates rose by 43bps, 153bps, 93bps, and 43bps, respectively, reaching 4.20%, 5.50%, 5.50%, and 5.30%. Other tenors remained unchanged. Meanwhile, average trading volume climbed to VND1,280.34tn, up 28.49% from the previous week.

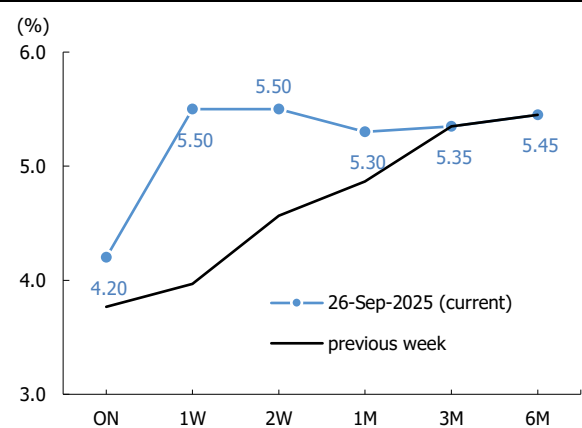
These developments reflect rising liquidity pressures in the banking system this week, possibly due to stronger funding demand from some banks. We continue to expect interbank rates to remain broadly stable around current levels in the coming weeks to support this year's growth targets.

Figure 9. Interbank daily transaction



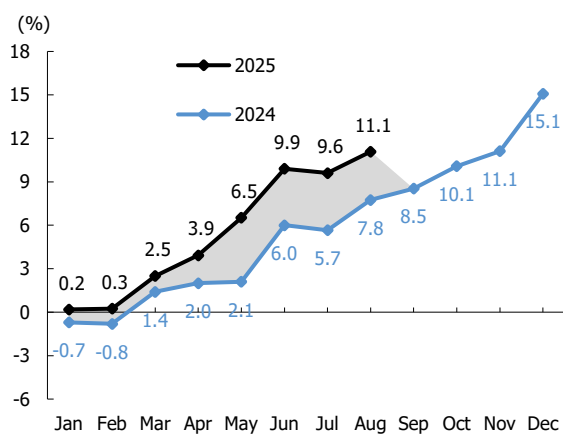
Source: SBV, Bloomberg, KIS

Figure 10. Interbank rate curve



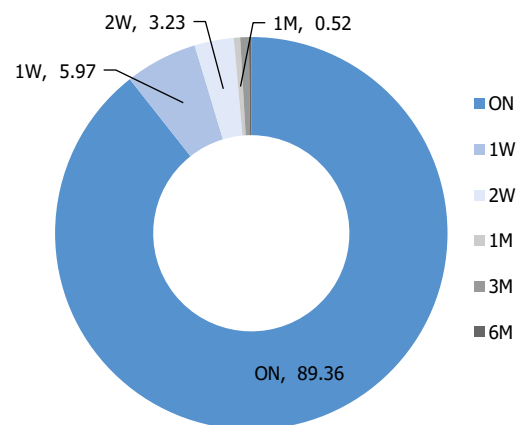
Source: SBV, Bloomberg, KIS

Figure 11. Credit growth by month of the year



Source: SBV, Bloomberg, KISVN
Note: Updated by 28 August, 2024

Figure 12. Interbank transaction structure



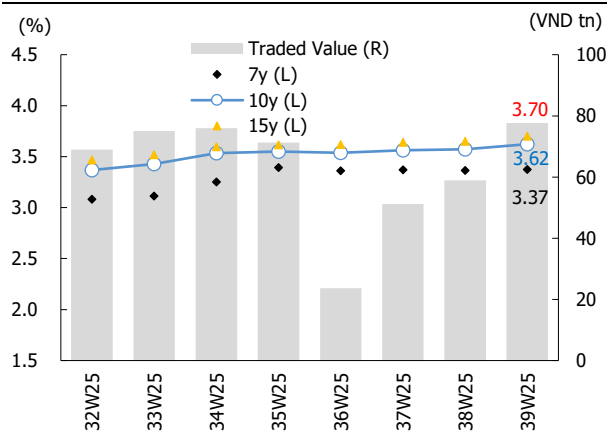
Source: SBV, Bloomberg, KISVN

III. G-bond yields continue to rise

G-bond yields increase across all tenors

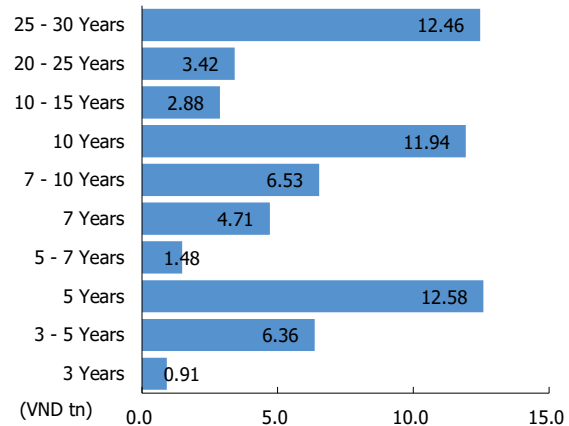
In 39W25, secondary-market G-bond yields rose across all maturities, accompanied by a sharp pickup in trading volume. The most actively traded tenors saw the strongest moves, with the 5-year, 7-year, 10-year, 15-year, 20-year, and 30-year yields rising by 4bps, 1bp, 5bps, 5bps, 4bps, and 3bps, respectively, to 3.06%, 3.37%, 3.62%, 3.70%, 3.73%, and 3.82%. Total trading volume climbed to VND77.65tn, up 31.74% from the previous week and averaging VND15.53tn per day, reflecting renewed selling pressure as markets anticipate the VST will accelerate issuance in the remainder of the year.

Figure 13. G-bond traded value by week



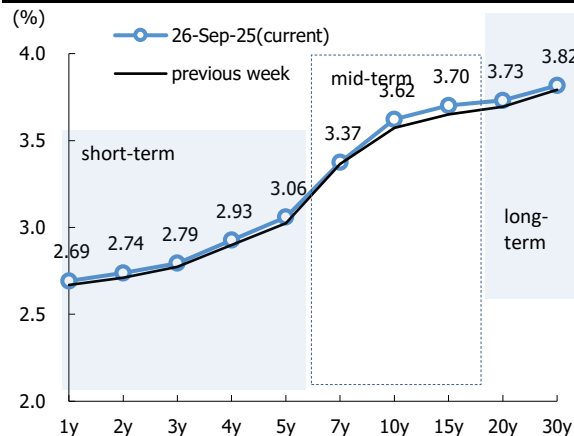
Source: HNX, Bloomberg, KIS

Figure 14. G-bond traded value by tenor



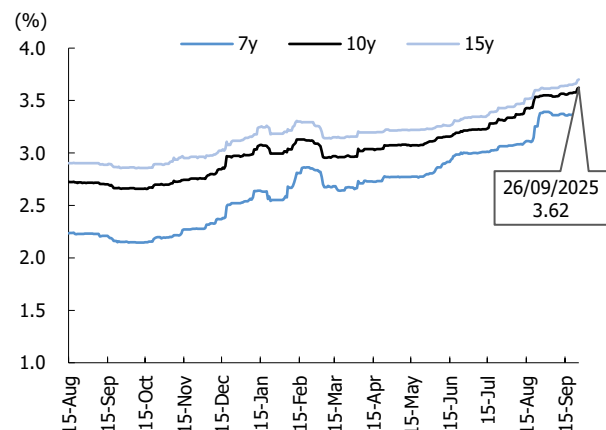
Source: HNX, Bloomberg, KIS

Figure 15. G-bond trading yield curve



Source: HNX, VBMA, KIS

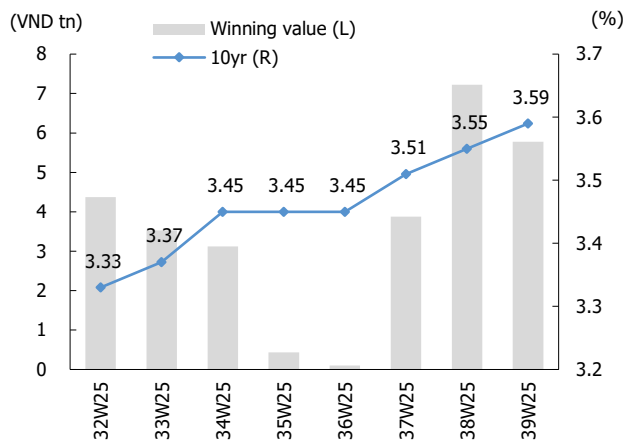
Figure 16. Historical daily government bond yields



Source: HNX, VBMA, KIS

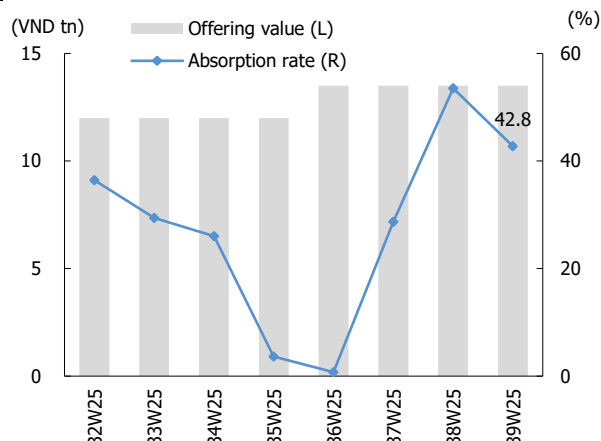
On the primary market, the 10-year yield rose 4bps to 3.59%, while the winning value dropped sharply by 20.1% from the prior week, suggesting investors are holding out for higher yields in upcoming auctions. To date, the VST has issued VND255.69tn, completing 51.1% of the full-year target and well behind the 67.9% pace in 2024. With only three months left in 2025, issuance pressure is intensifying, requiring an average of VND81.44tn per month to meet the annual target, which could drive G-bond yields higher and prompt investors to liquidate off-the-run bonds in the secondary market.

Figure 17. Weekly winning values



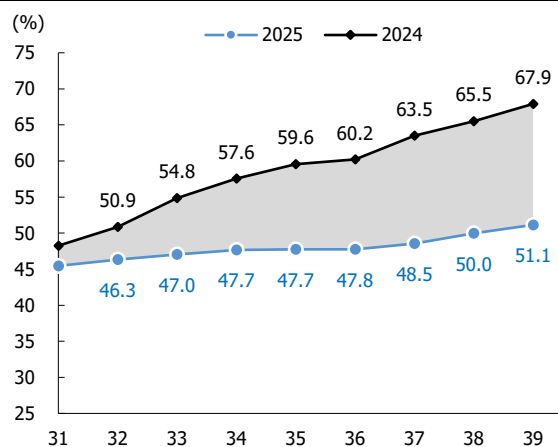
Source: HNX, KIS

Figure 18. Weekly absorption rate



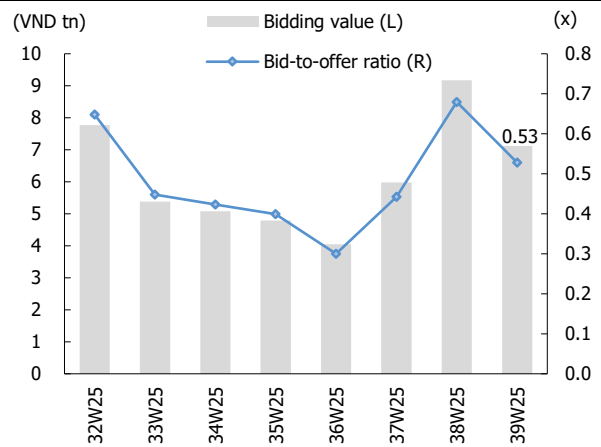
Source: HNX, KIS

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



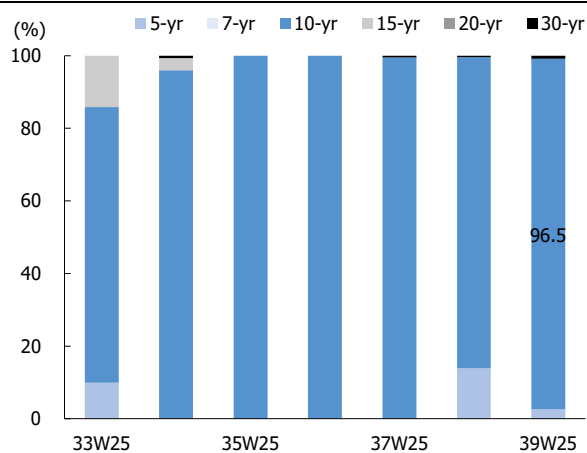
Source: HNX, KIS

Figure 20. Weekly bid-to-offer ratio



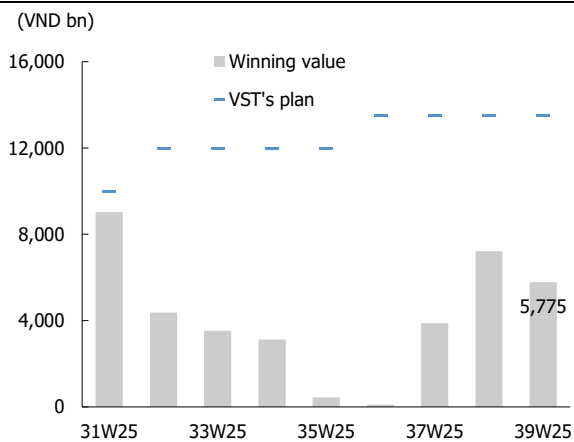
Source: HNX, KIS

Figure 21. Weekly winning G-bond structure



Source: HNX, KIS

Figure 22. Weekly issued amount of G-bond



Source: HNX, KIS

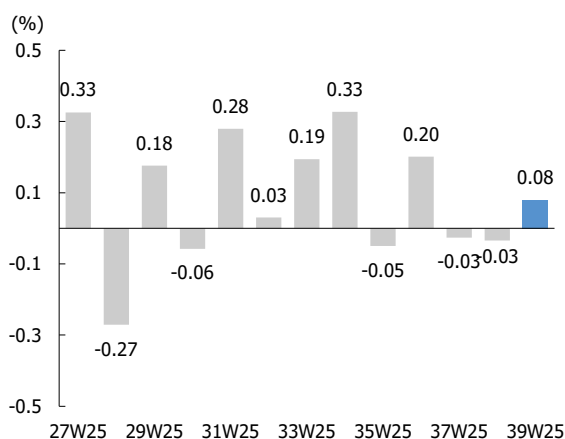
IV. USDVND edges up

The greenback rebounds after Fed Chair's remarks

This week, USDVND increased moderately by 0.08% (21ppts), while the DXY rose 0.52% on Friday. Globally, the greenback firmed following Chair Powell's remarks on current risks facing the U.S. economy, with a weakening labor market and persistent inflation weighing on rate expectations for upcoming FOMC meetings. However, inflation data released at the end of the week came in line with expectations, which helped ease those concerns. Domestically, USDVND inched up to 26,403 on Friday, as foreign investors extended their net selling streak to a tenth consecutive week, offloading VND7.35tn, or 5.2% of HOSE trading value.

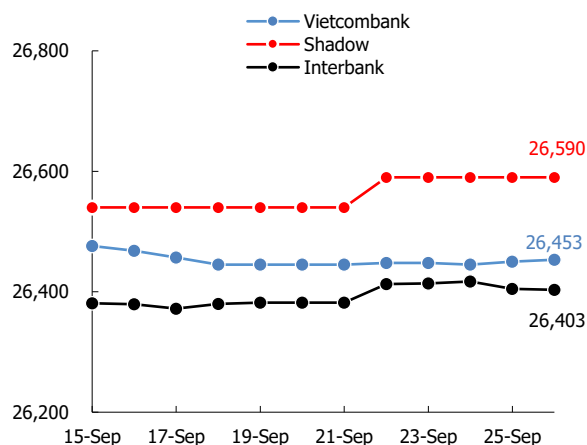
Across FX segments, Vietcombank's USDVND ask rate rose 0.03% (8ppts), while the shadow market climbed more notably by 0.19% (50ppts). As of Friday, ask prices stood at 26,453 at Vietcombank and 26,590 in the shadow market.

Figure 23. Weekly USDVND performance



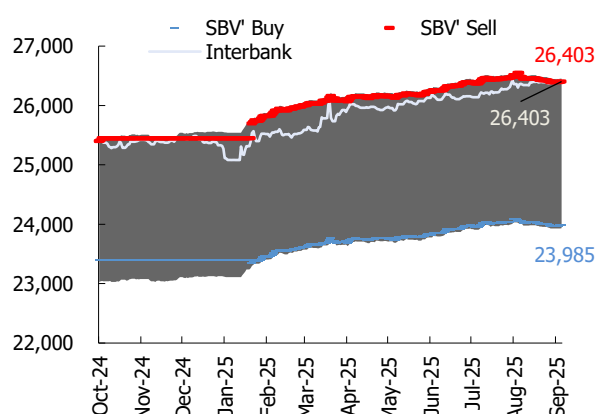
Source: Bloomberg, KIS

Figure 24. VCB & shadow market USDVND spread



Source: SBV, Vietcombank, KIS

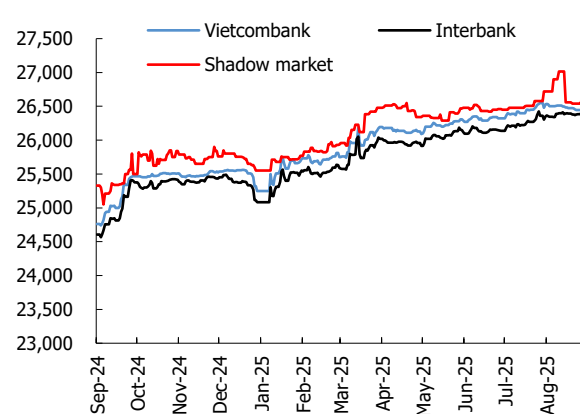
Figure 25. SBV's movement



Source: SBV, Bloomberg, Fiinpro, KIS

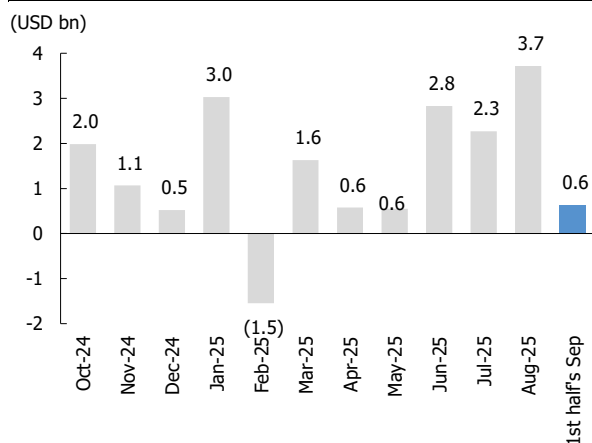
Note: shaded region is the daily trading band. The effective trading band is +/- 5% (the effective date is 17 October, 2022).

Figure 26. USDVND by market



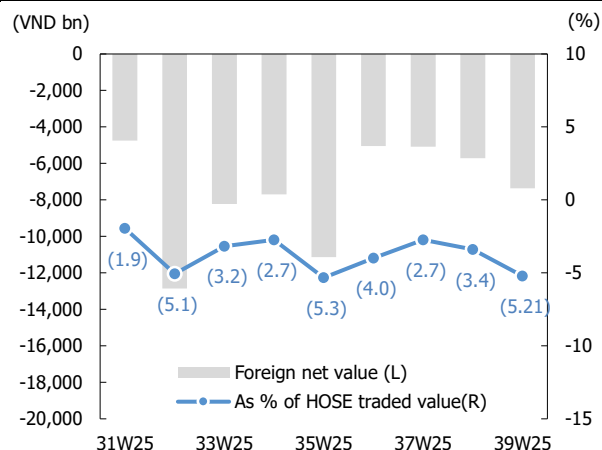
Source: SBV, Bloomberg, KIS

Figure 27. Vietnam's trade balance by month



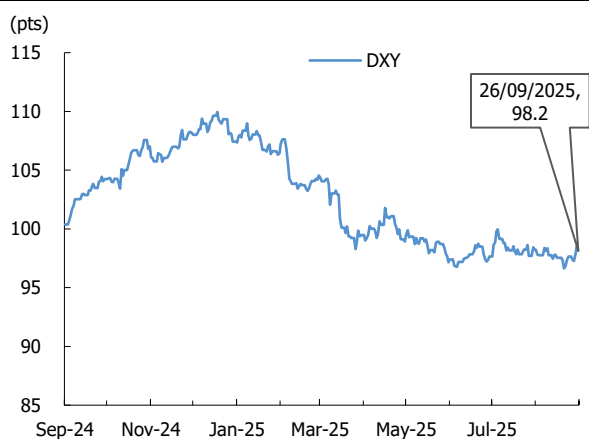
Source: GSO, KIS
Note: Updated until 18 September, 2025

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

		37W25	38W25	39W25	2025 YTD
China	USDCNY	-0.11	-0.10	0.23	-2.26
EU	USDEUR	-0.14	-0.10	0.37	-11.53
Mexico	USDMXN	-1.48	-0.20	-0.18	-11.54
Vietnam	USDVND	-0.03	-0.03	0.08	3.59
Canada	USDCNY	0.10	-0.43	1.08	-3.41
Taiwan	USDTWD	-1.24	-0.02	1.05	-7.17
Japan	USDJPY	0.17	0.18	1.04	-4.90
South Korea	USDKRW	0.48	0.26	0.95	-4.17
Thailand	USDTHB	-1.49	0.44	1.22	-5.43
DXY	U.S. Dollar Index	-0.22	0.10	0.52	-9.53

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

Macro scorecard

	25-Apr	25-May	25-Jun	25-Jul	25-Aug	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)	4.08	2.82	3.14	2.57	2.05	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)	38.51	37.45	39.49	42.27	43.39	108.6	105.9	102.84	116.93	335.7	371.85	355.5	405.5
Import (USD bn)	36.88	36.87	36.66	40.00	39.67	99.7	101.9	99.68	112.52	331.1	360.65	327.5	380.8
Export growth (%)	14.49	19.75	16.31	15.95	14.50	15.82	11.46	10.64	18.03	18.74	10.61	-4.4	14.3
Import growth (%)	18.99	22.95	20.16	17.77	17.71	17.19	14.91	17.03	18.77	25.9	8.35	-8.9	16.7
Inflation (%)	3.13	3.12	3.57	3.19	3.24	3.48	2.87	3.22	3.31	1.84	3.15	3.25	3.63
USDVND	25,565	25,983	26,121	26,199	26,345	24,093	25,386	25,565	26,121	22,790	23,650	23,784	25,386
Credit growth (%)	16.3	18.53	17.48	19.12	19.91	16.1	13.8	16.3	17.48	13.61	14.2	13.7	13.8
10Y gov't bond (%)	3.06	3.20	3.34	3.45	3.69	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)

	2022	2023	2Q24	3Q24	4Q24	1Q25
Current account	(1.1)	25.1	4.5	7.8	7.5	4.0
Goods, credit (exports)	371.3	354.7	97.9	108.2	105.9	102.8
Goods, debit (imports)	345.6	310.7	89.3	94.6	97.0	94.9
Balance on goods	25.7	44.0	8.5	13.6	8.9	7.9
Services, credit (exports)	12.9	19.6	5.5	5.9	6.6	7.6
Services, debit (imports)	25.5	29.1	8.3	9.8	9.6	9.2
Primary income, credit	2.3	4.6	1.4	1.4	1.4	1.3
Primary income, debit	22.0	27.0	5.4	6.1	3.8	7.2
Secondary income, credit	12.2	16.1	3.8	3.9	5.1	4.6
Secondary income, debit	6.7	3.1	1.1	1.0	1.0	1.1
Financial account	(9.5)	(2.8)	(6.3)	(2.7)	0.3	(3.5)
Direct investment, assets	2.7	1.6	(0.1)	(0.2)	(0.2)	(0.3)
Direct investment, liabilities	17.9	18.5	5.0	5.2	6.4	4.0
Portfolio investment, assets	(0.0)	0.0	0.0	(0.1)	0.0	0.0
Portfolio investment, liabilities	1.5	(1.2)	(1.6)	(0.8)	(2.0)	(1.0)
Other investment, assets	13.7	(14.3)	(5.2)	(2.6)	(4.3)	(3.5)
Other investment, liabilities	6.4	(7.4)	(4.4)	(4.2)	0.4	(2.7)
Net errors and omissions	(31.1)	(16.6)	(4.3)	(5.1)	(9.4)	(2.1)
Reserves and related items	(22.7)	(5.6)	6.1	(0.1)	1.7	1.7

Source: SBV, IMF, KIS

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