

Fixed-income Perspectives

USDVND under pressure amid prolonged Middle East tensions

SBV continues net liquidity withdrawal

In 12W26 (From 16 to 20 March 2026), the SBV continued its net liquidity withdrawal from the banking system at a strong pace. Specifically, the SBV issued VND14.98tn of new repos, while VND99.34tn matured, resulting in a net liquidity withdrawal of VND84.34tn, marking the second consecutive week of substantial withdrawal.

Interbank curve flattened

This week, the interbank yield curve flattened as short term rates increased, while rates at the longer end remained broadly unchanged. Specifically, overnight, 1-week, 2-week, and 1-month rates rose by 50bps, 70bps, 180bps, and 70bps to 4.40%, 5.50%, 6.90%, and 7.30%, respectively. In addition, average trading volume increased by 1% WoW to VND882.12tn.

USDVND extends gains

This week, USDVND edged higher for the fourth consecutive week as the dollar remained supported by safe haven demand and the Fed's cautious stance on interest rate cuts amid intensifying Middle East conflicts. Domestically, these escalating global risks and rising energy costs continued to strengthen the greenback while amplifying concerns over the erosion of purchasing power and sustained foreign capital outflows.

Vietnam economic indicators

	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Corr.
Disbursed FDI %YoY	6.8	11.4	9.5	9.5	11.3	1.5	-0.16
Retail sales %YoY	11.0	7.7	7.7	7.8	7.7	8.5	-0.16
Export %YoY	24.7	17.5	15.1	23.8	29.7	5.7	-0.05
Import %YoY	24.9	16.8	16.0	27.7	49.2	4.4	0.04
Trade balance (USD bn)	2.8	2.6	1.1	-0.7	-1.8	-1.0	-0.03
CPI %MoM	0.4	0.2	0.5	0.2	0.1	1.1	-0.03
Credit %YoY	20.1	20.3	19.9	17.9	NA	20.2	-0.23
USDVND %MoM	0.2	-0.4	0.2	-0.6	-1.0	0.3	-0.3
PMI (pts)	50.4	54.5	53.8	53.0	52.5	54.3	-0.09
VNINDEX return (%)	-1.2	-1.3	3.1	5.5	2.5	2.8	1.00

Source: SBV, GSO, Bloomberg, KIS

¹ Correlation to VNINDEX's monthly return

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

Contents

I. SBV continues net liquidity withdrawal.....	1
II. Interbank curve flattened	3
III. G-bond yields remain unchanged	4
IV. USDVND extends gains.....	6
Macro scorecard	8

Research Dept.

researchdept@kisvn.vn

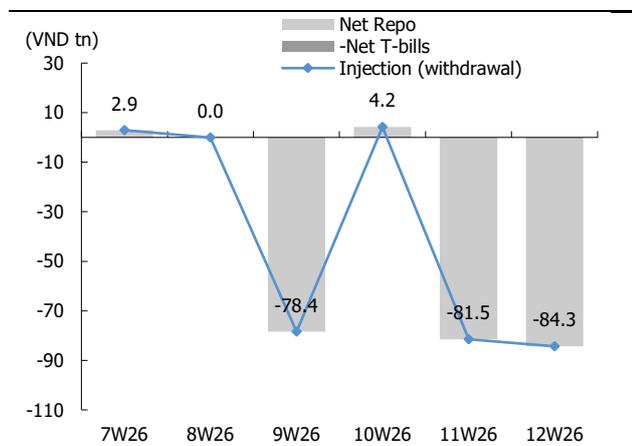
I. SBV continues net liquidity withdrawal

SBV extends strong net withdrawal for a second consecutive week

In 12W26 (From 16 to 20 March), the SBV continued its net liquidity withdrawal from the banking system at a strong pace. Specifically, the SBV issued VND14.98tn of new repos, while VND99.34tn matured, resulting in a net liquidity withdrawal of VND84.34tn, marking the second consecutive week of substantial withdrawal.

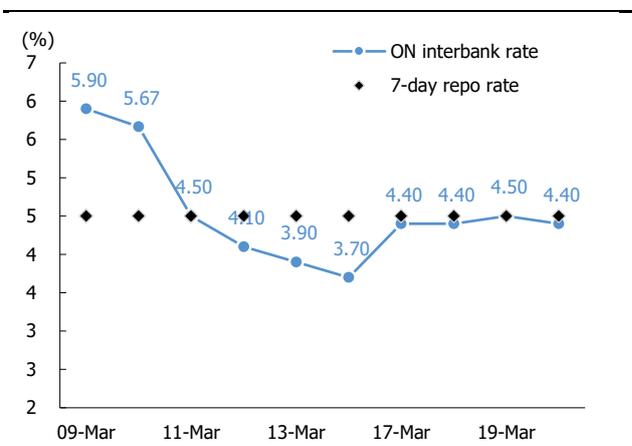
Recent developments suggest that liquidity conditions in the banking system are gradually stabilizing following the post-Tet effects, allowing the SBV to reduce outstanding repo balances. This also provides additional policy space for future operations when needed.

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 (%)
16-Mar-26	23-Mar-26	7	1.00	4.50
17-Mar-26	24-Mar-26	7	1.00	4.50
18-Mar-26	25-Mar-26	7	1.00	4.50
19-Mar-26	26-Mar-26	7	1.00	4.50
20-Mar-26	27-Mar-26	7	1.00	4.50
Total		7	5.00	

Source: SBV, KIS

Figure 4. Repo transactions: 28 days tenor

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
16-Mar-26	13-Apr-26	28	1.00	4.50
17-Mar-26	14-Apr-26	28	1.00	4.50
18-Mar-26	15-Apr-26	28	1.00	4.50
19-Mar-26	16-Apr-26	28	1.00	4.50
20-Mar-26	17-Apr-26	28	1.00	4.50
Total		28	5.00	

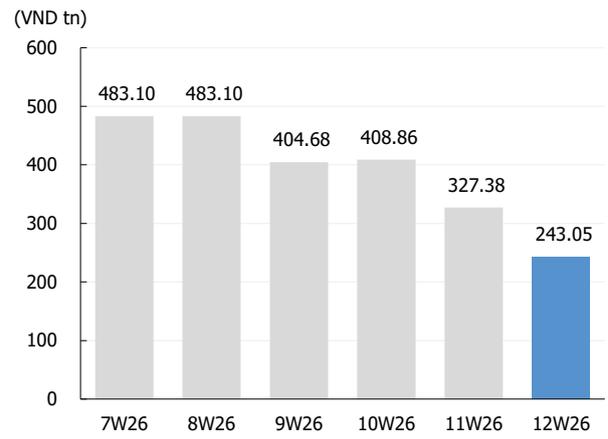
Source: SBV, KIS

Figure 5. Repo transactions: 56 days tenor

Issue date	Maturity Date	Tenor (days)	Amount (VNDtn)	Yields (%)
16-Mar-26	11-May-26	56	0.98	4.50
17-Mar-26	12-May-26	56	1.00	4.50
18-Mar-26	13-May-26	56	1.00	4.50
19-Mar-26	14-May-26	56	1.00	4.50
20-Mar-26	15-May-26	56	1.00	4.50
Total		56	4.98	

Source: SBV, KIS

Figure 6. Outstanding amount of repos



Source: SBV, KIS

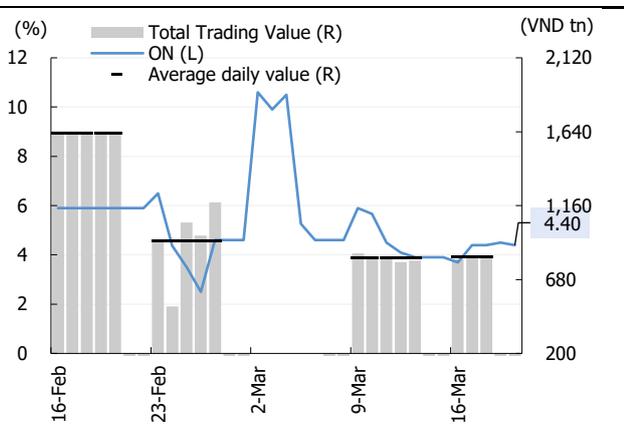
II. Interbank curve flattened

Short-term interbank rates edged higher

This week, the interbank yield curve flattened as short term rates increased, while rates at the longer end remained broadly unchanged. Specifically, overnight (ON), 1-week (1W), 2-week (2W), and 1-month (1M) rates rose by 50bps, 70bps, 180bps, and 70bps to 4.40%, 5.50%, 6.90%, and 7.30%, respectively. In addition, average trading volume increased by 1% WoW to VND882.12tn.

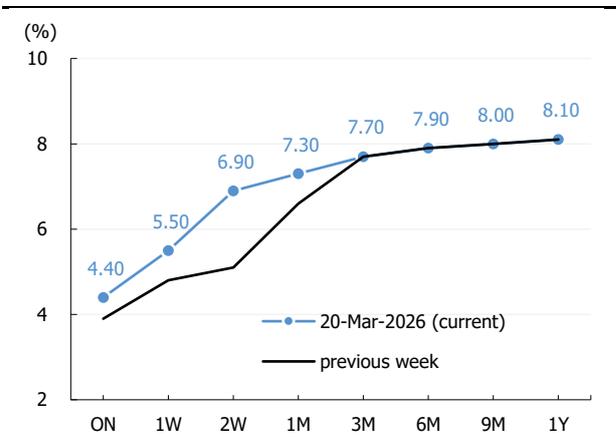
Post-Tet developments suggest that liquidity demand has gradually eased, particularly at the short end of the curve, as seasonal holiday effects faded. This has provided the SBV with greater flexibility in managing liquidity conditions through OMO operations. Looking ahead, we expect interbank rates to remain broadly stable in the near term.

Figure 7. Interbank daily transaction



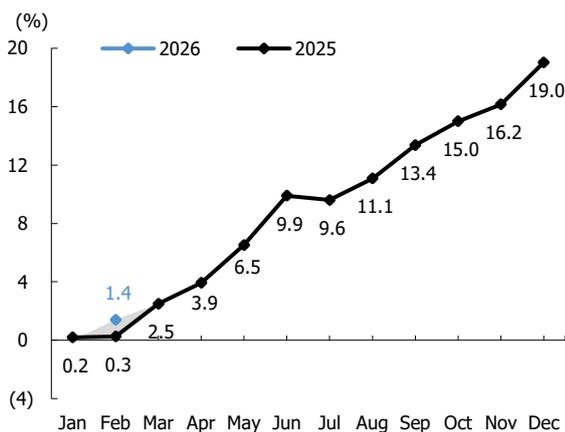
Source: SBV, Bloomberg, KIS

Figure 8. Interbank rate curve



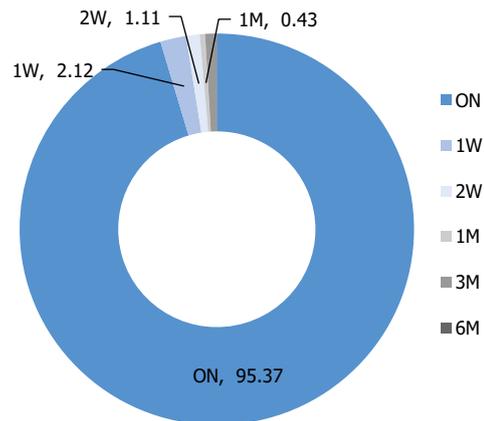
Source: SBV, Bloomberg, KIS

Figure 9. Credit growth by month of the year



Source: SBV, Bloomberg, KISVN
Note: Updated by February, 2026

Figure 10. Interbank transaction structure



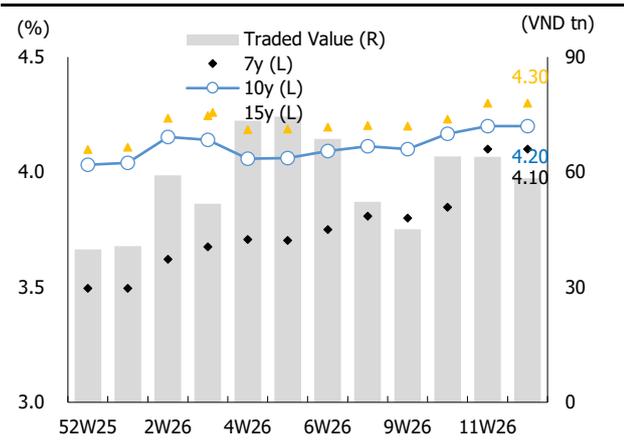
Source: SBV, Bloomberg, KISVN

III. G-bond yields remain unchanged

Secondary yields show minor adjustments while primary issuance rebounds strongly

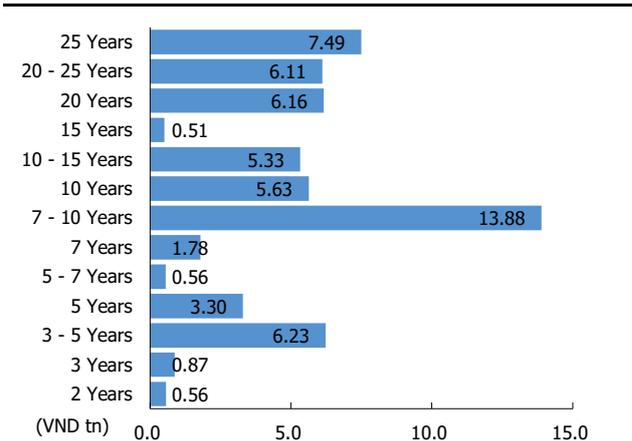
In 12W26, secondary market G-bond yields remained broadly unchanged across most maturities, with only slight increases observed in short tenors. Specifically, yields on actively traded 1 year, 2 year, and 3 year bonds rose by 10bps each to 3.20%, 3.30%, and 3.40%, respectively, while all other tenors remained stable compared to the previous week. Meanwhile, total trading value declined by 8.71% WoW to VND58.40tn, averaging VND19.47tn per session.

Figure 11. G-bond traded value by week



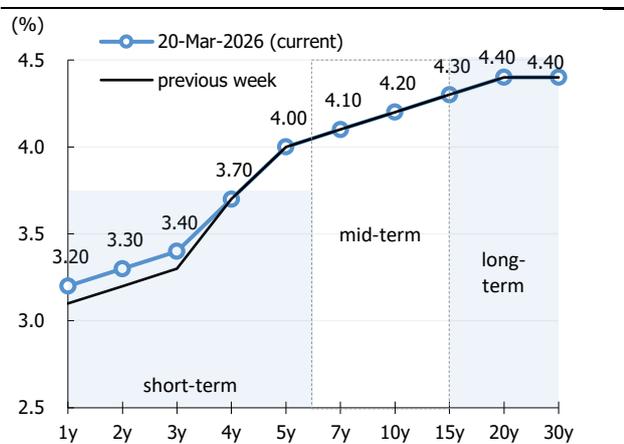
Source: HNX, Bloomberg, KIS

Figure 12. G-bond traded value by tenor



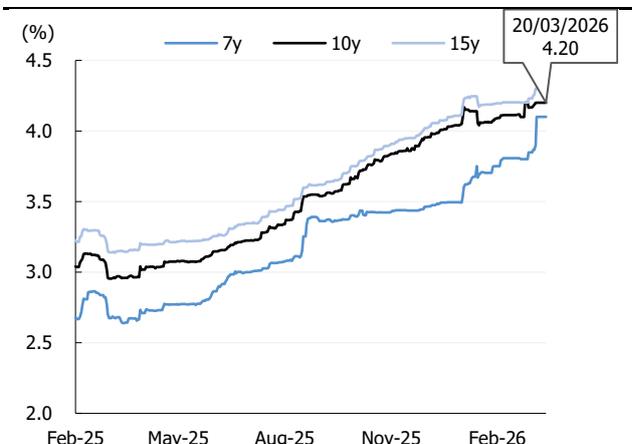
Source: HNX, Bloomberg, KIS

Figure 13. G-bond trading yield curve



Source: HNX, VBMA, KIS

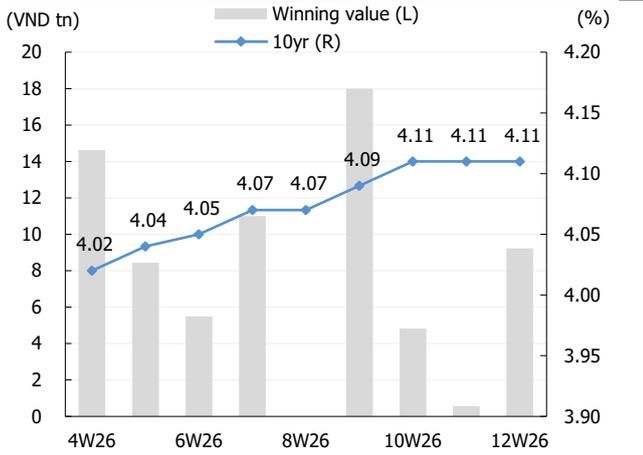
Figure 14. Historical daily government bond yields



Source: HNX, VBMA, KIS

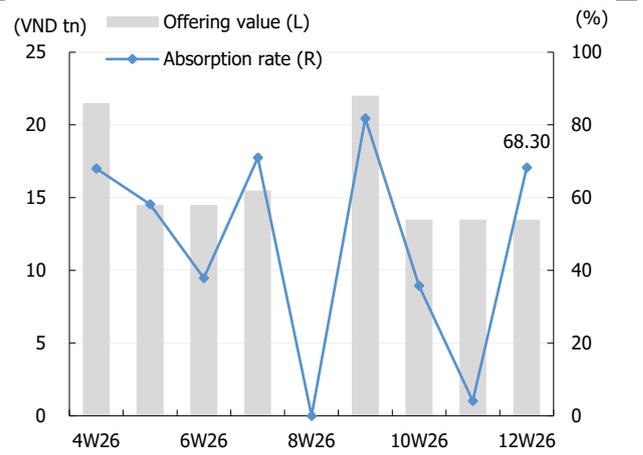
On the primary market, issuance activity rebounded strongly as the VST issued VND9.22tn this week, representing a 16 fold increase compared to the previous week, while the winning yield remained unchanged at 4.11%. To date, the VST has completed 19.4% of its 2026 issuance target, which is nearly in line with the 19.69% recorded over the same period last year.

Figure 15. Weekly winning values



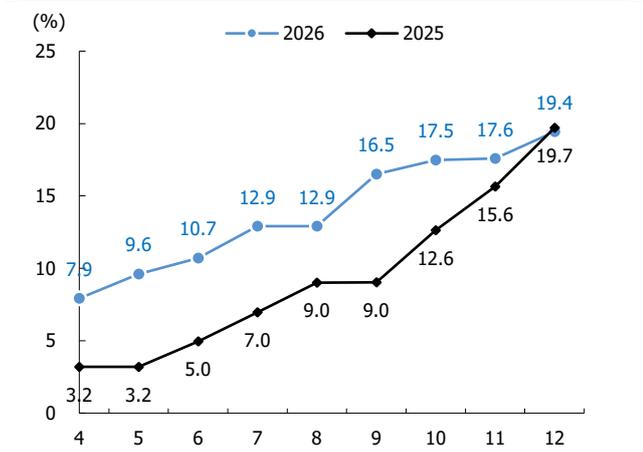
Source: HNX, KIS

Figure 16. Weekly absorption rate



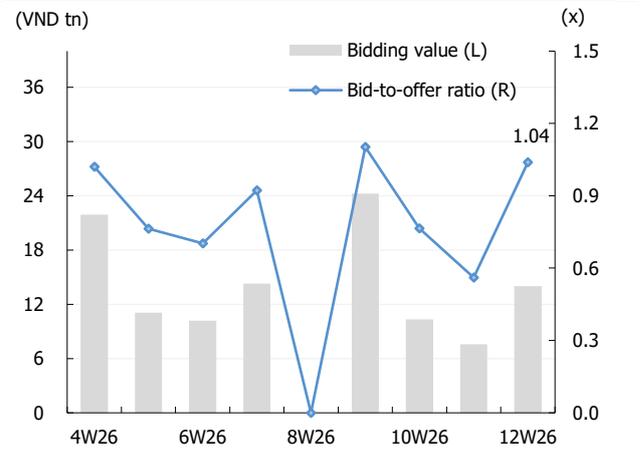
Source: HNX, KIS

Figure 17. Completion ratio by week-of-the-year



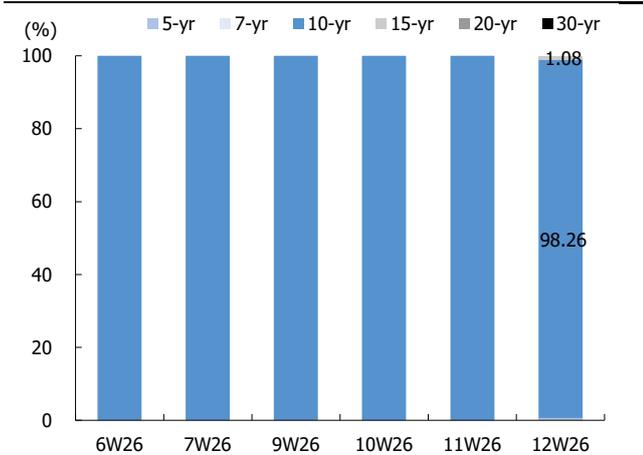
Source: HNX, KIS

Figure 18. Weekly bid-to-offer ratio



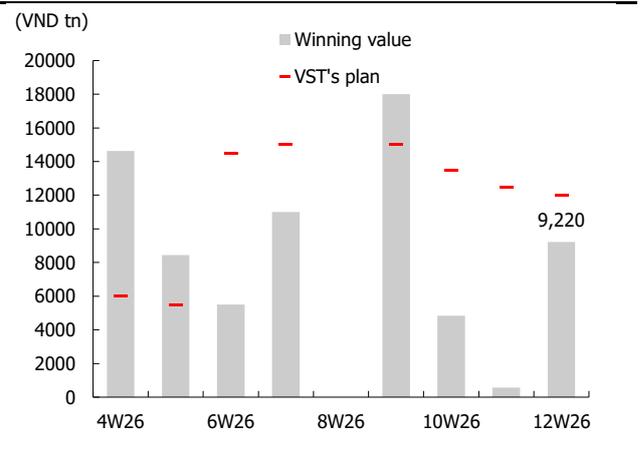
Source: HNX, KIS

Figure 19. Weekly winning G-bond structure



Source: HNX, KIS

Figure 20. Weekly issued amount of G-bond



Source: HNX, KIS

IV. USDVND extends gains

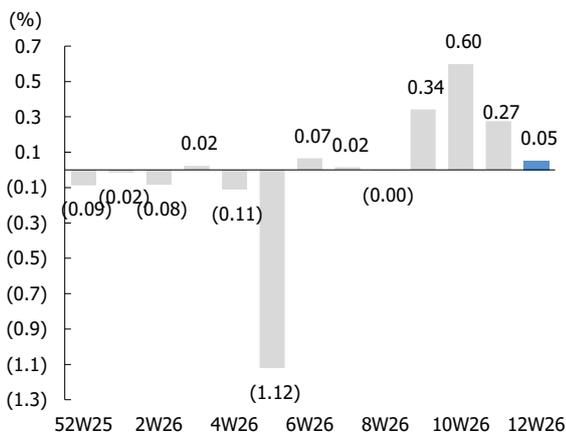
USDVND posts a fourth consecutive weekly gain as geopolitical risks intensify

In 12W26 (from 16 to 20 March), USDVND edged higher for the fourth consecutive week despite a slight correction in the greenback that saw the DXY close at 99.6 (-0.80% WoW) on Friday.

Globally, the U.S. dollar remained supported by strong safe haven demand as the conflict between the United States, Israel, and Iran entered its fourth week with intense military actions, including strikes on Iran's Kharg Island, fueling fears of prolonged supply disruptions and causing oil prices to surge significantly during the week. This heightened geopolitical instability coincided with the Federal Reserve holding the federal funds rate steady, where Chair Jerome Powell expressed significant uncertainty regarding the impact of soaring energy prices on the inflation outlook. Consequently, the Fed scaled back its projected interest rate cuts for the year, a hawkish stance further reinforced by data showing a jump in the February PPI. Domestically, these escalating global risks and rising energy costs pushed USDVND up by 0.05% (14ppts) to 26,300, as persistent foreign capital outflows and concerns over eroded purchasing power continued to weigh on the exchange rate.

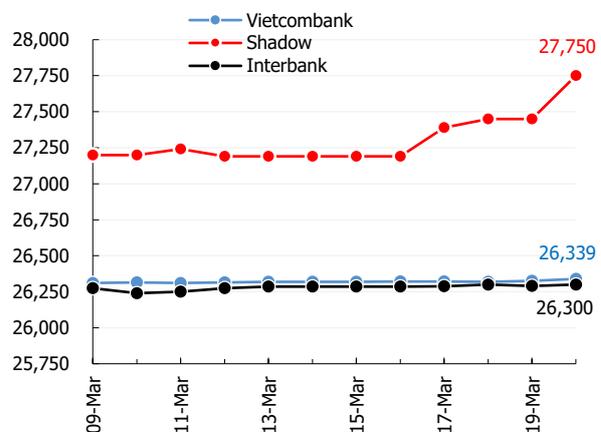
On the FX front, Vietcombank's USDVND ask rate increased by 0.08% (21ppts), while the shadow market rose by 2.06% (560ppts). As of Friday, ask prices stood at 26,339 at Vietcombank and 27,750 in the shadow market.

Figure 21. Weekly USDVND performance



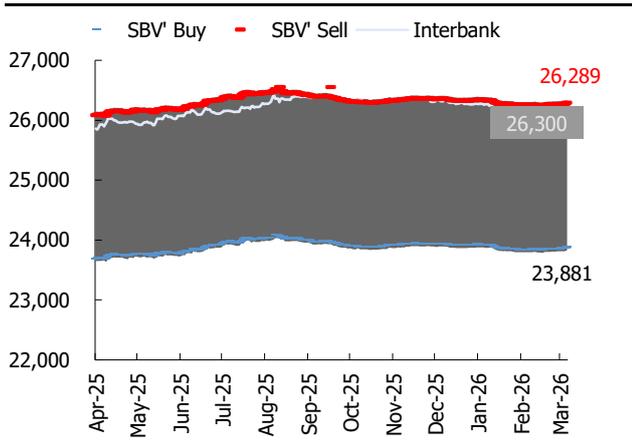
Source: Bloomberg, KIS

Figure 22. VCB & shadow market USDVND spread



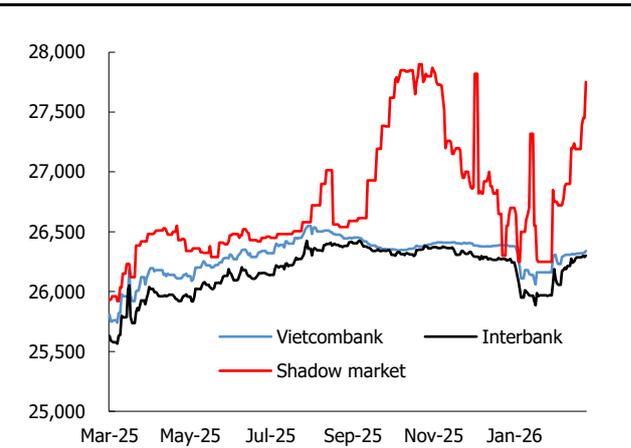
Source: SBV, Vietcombank, KIS

Figure 23. SBV's movement



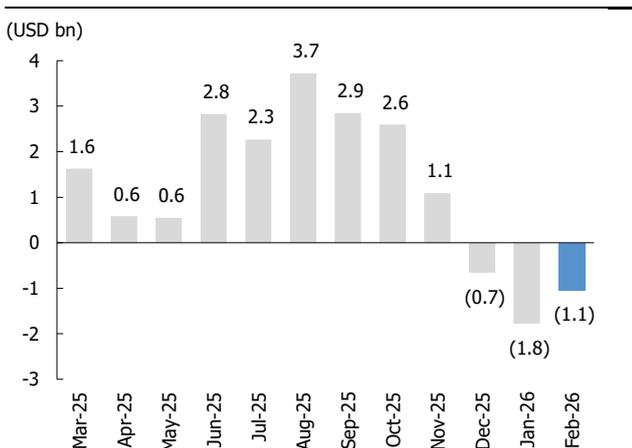
Source: SBV, Bloomberg, Fiinpro, KIS
 Note: shaded region is the daily trading band. The effective trading band is +/- 5% (the effective date is 17 October, 2022).

Figure 24. USDVND by market



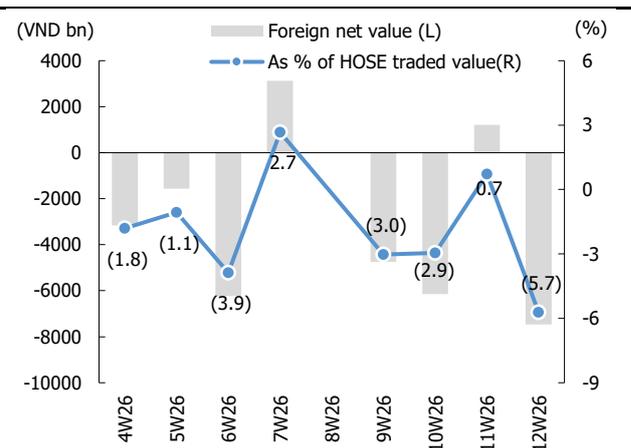
Source: SBV, Bloomberg, KIS

Figure 25. Vietnam's trade balance by month



Source: NSO, KIS

Figure 26. Trading of the foreign bloc in Vietnamese stock market



Source: Fiinpro, KIS.

Figure 27. Historical DXY



Source: Bloomberg, KIS

Figure 28. Weekly change of USDVND and peers

		10W26	11W26	12W26	2026 YTD
China	USDCNY	0.07	-0.07	0.00	-1.26
EU	USDEUR	3.29	5.62	-8.33	-2.12
Mexico	USDMXN	3.33	0.82	-0.26	-13.79
Vietnam	USDVND	0.60	0.27	0.05	0.10
Canada	USDCNY	-0.53	1.11	0.04	-4.87
Taiwan	USDTWD	1.48	0.79	0.14	-2.75
Japan	USDJPY	1.08	1.22	-0.31	1.76
South Korea	USDKRW	3.33	0.75	0.35	4.50
Thailand	USDTHB	2.69	1.13	1.55	4.11
DXY	U.S. Dollar Index	1.42	1.43	-0.80	1.30

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

Macro scorecard

	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	1Q25	2Q25	3Q25	4Q25	2022	2023	2024	2025
Real GDP growth (%)						7.05	8.16	8.25	8.46	8.54	4.98	7.04	8.02
Registered FDI (USD bn)	2.98	2.17	4.73	2.58	3.45	10.98	10.54	7.02	9.88	27.72	36.61	38.23	38.42
GDP per capita (USD)										4,110	4,285	4,700	5,026
Unemployment rate (%)						2.20	2.22	2.21	2.22	2.32	2.26	2.24	2.22
Export (USD bn)	42.05	39.07	44.03	43.19	33.06	102.84	110.62	118.38	126.3	371.85	355.5	405.5	475.0
Import (USD bn)	39.45	37.98	44.69	44.97	34.10	99.68	118.83	120.19	123.1	360.65	327.5	380.8	455.01
Export growth (%)	17.48	15.15	23.81	29.67	5.74	10.64	10.62	18.38	19.96	10.61	-4.4	14.3	17.00
Import growth (%)	16.83	16.04	27.69	49.22	4.40	17.03	18.83	20.19	21.28	8.35	-8.9	16.7	19.40
Inflation (%)	3.25	3.58	3.48	2.53	3.35	3.22	3.31	3.27	3.44	3.15	3.25	3.63	3.31
USDVND	26,315	26,372	26,225	25,950	26,030	25,565	26,121	26,427	26,296	23,650	23,784	25,386	26,296
Credit growth (%)	20.25	19.94	17.87	#NA	20.18	16.3	17.48	19.61	17.87	14.2	13.7	13.8	17.87
10Y gov't bond (%)	3.95	4.03	4.19	4.18	4.25	3.06	3.34	3.76	4.19	5.08	2.39	2.94	4.19

Source: GSO, Bloomberg, FIA, IMF

Global Disclaimer

■ General

This research report and marketing materials for Vietnamese securities are originally prepared and issued by the Research Center of KIS Vietnam Securities Corp., an organization licensed with the State Securities Commission of Vietnam. The analyst(s) who participated in preparing and issuing this research report and marketing materials is/are licensed and regulated by the State Securities Commission of Vietnam in Vietnam only. This report and marketing materials are copyrighted and may not be copied, redistributed, forwarded or altered in any way without the consent of KIS Vietnam Securities Corp..

This research report and marketing materials are for information purposes only. They are not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This research report and marketing materials do not provide individually tailored investment advice. This research report and marketing materials do not take into account individual investor circumstances, objectives or needs, and are not intended as recommendations of particular securities, financial instruments or strategies to any particular investor. The securities and other financial instruments discussed in this research report and marketing materials may not be suitable for all investors. The recipient of this research report and marketing materials must make their own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser. KIS Vietnam Securities Corp. does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. KIS Vietnam Securities Corp., its affiliates, or their affiliates and directors, officers, employees or agents of each of them disclaim any and all responsibility or liability whatsoever for any loss (director consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or KIS Vietnam Securities Corp. The final investment decision is based on the client's judgment, and this research report and marketing materials cannot be used as evidence in any legal dispute related to investment decisions.

■ Country-specific disclaimer

United States: This report is distributed in the U.S. by Korea Investment & Securities America, Inc., a member of FINRA/SIPC, and is only intended for major U.S. institutional investors as defined in Rule 15a-6(a)(2) under the U.S. Securities Exchange Act of 1934. All U.S. persons that receive this document by their acceptance thereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Korea Investment & Securities, Co., Ltd. or its affiliates. Pursuant to Rule 15a-6(a)(3), any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Korea Investment & Securities America, Inc., which accepts responsibility for the contents of this report in the U.S. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. person absent registration or an applicable exemption from the registration requirement.

United Kingdom: This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

Hong Kong: This research report and marketing materials may be distributed in Hong Kong to institutional clients by Korea Investment & Securities Asia Limited (KISA), a Hong Kong representative subsidiary of Korea Investment & Securities Co., Ltd., and may not otherwise be distributed to any other party. KISA provides equity sales service to institutional clients in Hong Kong for Korean securities under its sole discretion, and is thus solely responsible for provision of the aforementioned equity selling activities in Hong Kong. All requests by and correspondence with Hong Kong investors involving securities discussed in this report and marketing materials must be effected through KISA, which is registered with The Securities & Futures Commission (SFC) of Hong Kong. Korea Investment & Securities Co., Ltd. is not a registered financial institution under Hong Kong's SFC.

Singapore: This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Korea Investment & Securities Co., Ltd. has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person. Please contact Korea Investment & Securities Singapore Pte Ltd in respect of any matters arising from, or in connection with, the analysis or report (Contact Number: 65 6501 5600).

Copyright © 2023 KIS Vietnam Securities Corp. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of KIS Vietnam Securities Corp.

VIET NAM

UYEN LAM, Head of Institutional Brokerage (uyen.lh@kisvn.vn +8428 3914 8585 - 1444)
KIS Vietnam Securities Corporation
3rd floor, 180-192 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City.
Fax: 8428 3821-6898

SOUTH KOREA

YEONG KEUN JOO, Managing Director, Head of International Business Division (ykjoo@truefriend.com, +822 3276 5157)
PAUL CHUNG, Sales Trading (pchung@truefriend.com +822 3276 5843)
27-1 Yoido-dong, Youngdeungpo-ku, Seoul 150-745, Korea
Toll free: US 1 866 258 2552 HK 800 964 464 SG 800 8211 320
Fax: 822 3276 5681~3
Telex: K2296

NEW YORK

DONG KIM, Managing Director (dkim@kisamerica.com +1 212 314 0681)
HOON SULL, Head of Sales (hoonsull@kisamerica.com +1 212 314 0686)
Korea Investment & Securities America, Inc.
1350 Avenue of the Americas, Suite 1110
New York, NY 10019
Fax: 1 212 314 0699

HONG KONG

GREGORY KIM, Managing Director, Head of HK Sales (greg.kim@kisasia.com +852 2530 8915)
Korea Investment & Securities Asia, Ltd.
Suite 2220, Jardine House
1 Connaught Place, Central, Hong Kong
Fax: 852-2530-1516

SINGAPORE

ALEX JUN, Managing Director, Head of Singapore Sales (alex@kisasia.com.sg +65 6501 5602)
CHARLES AN, Sales (alex.jun@kisasia.com.sg +65 6501 5601)
Korea Investment & Securities Singapore Pte Ltd
1 Raffles Place, #43-04, One Raffles Place
Singapore 048616
Fax: 65 6501 5617

LONDON

Min Suk Key, Managing Director (peterkey@kiseurope.com +44 207 065 2766)
Korea Investment & Securities Europe, Ltd.
2nd Floor, 35-39 Moorgate
London EC2R 6AR
Fax: 44-207-236-4811

This report has been prepared by KIS Vietnam Securities Corp. and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. This report is provided solely for the information of professional investors who are expected to make their own investment decisions without undue reliance on this report and the company accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is not intended for the use of private investors.

Copyright © 2020 KIS Vietnam Securities Corp. All rights reserved. No part of this report may be reproduced or distributed in any manner without permission of KIS Vietnam Securities Corp.