**Weekly information on banking operations (November 7-11, 2016)**

**1. Mobilizing and lending rates:**

**1.1. Mobilizing rates:**

- VND mobilizing rates: The rates were commonly 0.8 - 1% p.a for demand and below 1-month terms, 4.5 - 5.4% p.a for 1 to below 6-month terms, 5.4 - 6.5% p.a for 6-month to below 12-month terms; and 6.4 – 7.2% p.a for 12-month-plus terms.

- USD mobilizing rates: The USD mobilizing rates were commonly 0% p.a for individuals and economic institutions**.**

**1.2. Lending rates:**

- VND lending rates: The average rates were commonly 6-7% p.a for short-term loans for priority fields, and state-owned commercial banks continued to offer rates of 9 – 10% p.a for medium and long-term loans for priority fields. The rates were commonly 6.8% - 9.0% p.a for short-term, and 9.3% – 11.0% p.a, for medium- and long-term ordinary loans. The lending rate for short-term loans was 4-5% p.a, applied to those customers who have good loan-repayment track records, as well as strong and transparent finances.

- USD lending rates were commonly 2.8% – 6.0% p.a. The rates were 2.8 – 4.8% p.a for short-term and 4.9 – 6.0% p.a for medium- and long-term loans.

The specific lending rates were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Groups of commercial banks | Currency | Short term  (% p.a) | Medium and long terms  (% p.a) |
| Group of state-owned commercial banks | - VND applicable to ordinary loans | 6.8-8.5 | 9.3-10.3 |
| - VND applicable to loans for 5 priority sectors | 6.0-7.0 | 9.0-10.0 |
|  | USD | 2.8-4.3 | 4.9-6.0 |
| Group of joint stock commercial  banks | - VND applicable to ordinary loans | 7.8-9.0 | 10.0-11.0 |
| - VND applicable to loans for 5 priority sectors | 7.0 | 10.0-10.5 |
|  | USD | 4.2-4.8 | 5.0-6.0 |

**2. Inter-bank transaction turnover:**

**2.1. Transactions:**

According to reports from credit institutions and Vietnamese-based foreign banks, the total amount of transactions in the inter-bank market reached about VND 138,986 billion, an increase of VND 4,663 billion as compared to the week of October 31 – December 4; and the USD amount was equivalent to VND 49,660 billion, a decrease of VND 13,621 billion in comparison to the previous week.

Most VND transactions were 1-week terms and overnight (accounting for 40% and 24% of the total amount of VND transactions respectively). Transactions in USD were mostly overnight and 1-week terms, accounting for 44% and 24% of the total amount of USD transactions respectively.

**2.2. The average inter-bank interest rates:**

For  VND transactions: As compared to the week of October 31 – December 4, the inter-bank interest rates increased for most key terms below one month. Specifically, the rate for overnight, 1-week and 1-month terms increased to 0.95%, 1.02% and 1.78% p.a respectively.

For USD transactions: Average inter-bank interest rates fluctuated for most key terms below one month. Specifically the average inter-bank interest rates for overnight and 1-week terms increased to 0.51% and 0.47% p.a respectively; the average inter-bank interest rate for 1-month terms decreased to 0.84% p.a.

The specific average inter-bank interest rates were as follows for October 31 – December 4, 2016:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Term | Over night | 1 week | 2 weeks | 1 month | 3 months | 6 months | 9 months |
| VND | 0.95 | 1.02 | 1.26 | 1.78 | 3.99 | 5.04 | - |
| USD | 0.51 | 0.47 | 0.54 | 0.84 | 1.13 | 1.71 | - |

**3. Forex market:**

The buying and selling VND/USD exchange rate quoted by Vietcombank was 22,295/22,365 VND/USD in the first 2 days of the week, before falling to 22,290/22,360 VND/USD over the next two days, then rose back up to 22,270/22,340 VND/USD and 22.285/22.355 VND/USD respectively. On the last day of the week, the exchange rate increased slightly to the same rate quoted on the first day of the week; and increased by 05 VND/USD for both buying and selling as compared to the final trading day of the previous week.

The SBV will continue to conduct synchronous measures and utilize monetary policy tools to stabilize the forex market and foreign-exchange rates within the set band.

**The State Bank of Vietnam**

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