**Weekly information on banking operations (July 11 – 15, 2016)**

**1. Mobilizing and lending rates:**

**1.1. Mobilizing rates:**

- The VND mobilizing rates were relatively stable. 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.

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

**1.2. Lending rates:**

- The 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 offering the 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 was 5-6% p.a applied to those customers who have good loan repayment track record, strong and transparent finance.

- The USD lending rates: The USD lending rates were commonly 2.8% – 6.2% p.a. The rates were 2.8 – 5.2% p.a for short term and 5.1 – 6.2% 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 agricultural and rural development, exporters,supporting industries, SMEs and hi-tech enterprises | 6.0-7.0 | 9.0-10.0 |
|  | USD | 2.8-4.5 | 5.1-6.2 |
| Group of joint stock commercial  banks | - VND applicable to ordinary loans | 7.8-9.0 | 10.0-11.0 |
| - VND applicable to loans for agricultural and rural development, exporters, supporting industries, SMEs and hi-tech enterprises | 7.0 | 10.0-10.5 |
|  | USD | 4.5-5.2 | 5.4-6.2 |

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

**2.1. Transactions:**

According to the reports of credit institutions and foreign bank branches, the total amount of transactions in the inter-bank market reached about VND 112,010 billion (increased by VND 17,026 billion) and USD amount equivalent to VND 67,668 billion (up by VND 8,014 billion) as compared to the previous week i.e VND 22,402 billion and VND 13,534 billion per day averagely.

Most VND transactions were overnight and 1 week terms (accounting 37% and 33% of the total amount of VND transactions respectively). Transactions in USD were mostly overnight and 1 week terms which accounted for 58% and 25% 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 July 4 - 7, 2016, the inter-bank interest rates decreased for most key terms below one month, specifically, the rate for overnight, 1 week and 1 month terms were 1.01%, 1.21% and 2.15% p.a respectively.

For USD transactions: The inter-bank interest rates decreased for most key terms, such as the rates of overnight, one week and one month terms reduced to 0.43% p.a and 0.46% and 0.61% p.a.

The specific average inter-bank interest rates were as follows for July 11 - 15, 2016 :

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Term | Over night | 1 week | 2 weeks | 1 month | 3 months | 6 months | 9 months |
| VND | 1.01 | 1.21 | 1.45 | 2.15 | 3.72 | 4.50 | - |
| USD | 0.43 | 0.46 | 0.47 | 0.61 | 1.16 | 1.70 | 2.07 |

**3. Forex market:**

The Vietcombank quoted the buying and selling VND/USD exchange rate at VND/USD 22.260/22.330, unchanged as compared to the last day of the previous week.

The SBV will continue to conduct consistent measures and tools of monetary policy to stabilize forex market and foreign exchange rate.

The State Bank of Vietnam

Translated by VMH