**1. Forex market and exchange rates:**

The buying and selling exchange rates quoted on the commercial banks’ websites slightly reduced from 23,230/23,310 VND to 23,220/23,300 VND against the USD in the first two days of the week, then it gradually increased and was quoted at 23.260/23.340 VND for the buying and selling rate at the end of week (up by 05 VND/USD for the buying and selling rate as compared to the last day of the previous week on August 17, 2018).

The State Bank of Vietnam (SBV) continued to conduct synchronous measures and instruments of monetary policy to stabilize the forex market and the exchange rates within the set band.

**2. Mobilization and lending interest rates:**

**2.1. Mobilization interest rates:**

- The mobilization interest rates in VND: The common rates were between 0.6 – 1% p.a for demand and below 1-month term deposits, 4.3 – 5.5% p.a for 1-month to below 6-month terms, 5.3 – 6.5% p.a for 6-month to below 12-month terms; and 6.5 – 7.3% p.a for 12-month plus terms.

- The mobilization interest rates in USD: The common mobilization interest rate in USD was 0% p.a for both individuals’ and institutions’ deposits.

**2. 2.2. Lending rates:**

- The lending interest rates in VND: The common average rates were between 6.0 – 9.0% p.a for short-term loans; 9.0 – 11.0% p.a for medium and long-term loans.

- The lending interest rates in USD: The common rates were between 2.8% – 6.0% p.a. The rates were 2.8 – 4.7% p.a for short-term and 4.5 – 6.0% p.a for medium and long-term loans.

**3. Inter-bank transaction operations:**

**3.1. Transactions:**

According to the reports submitted by the credit institutions and the foreign bank branches, the total amount of transactions in the inter-bank market within the week reached approximately VND 137.921 billion, an average of VND 27.584 billion/day, a decrease of VND 632 billion/day as compared to the week of August 13-17, 2018; meanwhile the transaction amount in USD was equivalent to VND 88.980 billion, an average of VND 17.796 billion/day, a decrease of VND 947 billion/day as compared to the previous week.

Most VND transactions were for overnight and 1-week terms (accounting for 59% and 18% of the total amount of VND transactions respectively). The transactions in USD were mostly for overnight and 1-week terms, accounting for 66% and 22% of the total amount of USD transactions respectively.

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

- For transactions in VND: As compared to the previous week, average inter-bank interest rates were on a upward trend for most terms. Specifically, the inter-bank interest rates for overnight, 1-week and 1-month terms were up by 0.10 percentage points, 0.19 percentage points and 0.04 percentage points p.a to 4.60% p.a, 4.67% p.a, and 4.66% p.a respectively.

- For transactions in USD: the average inter-bank interest rates for most key terms were on downward trend. Specifically, the inter-bank interest rates for overnight, 1-week terms slightly decreased by 0.02 and 0.04 percentage points to 2.03% p.a, 2.15% p.a. The inter-bank interest rate for 1 month term slightly fluctuated and remained at 2.36% p.a.

The specific average inter-bank interest rates were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Term | Overnight | 1-week | 2-week | 1-month | 3-month | 6-month | 9-month |
| VND | 4.60 | 4.67 | 4.69 | 4.66 | 4.73 | 5.37 | - |
| USD | 2.03 | 2.15 | 2.17 | 2.36 | 2.56 | 2.77 | - |

Translated by Mai Huong