Monthly Updates on Macroeconomics and Financial Market

Hanoi, January 2025

Prepared by Economic and Financial Market Analysis Team

BE GREATER

Despite global trade fragmentation, Vietnam continues to possess numerous growth drivers

Section 1

Executive Summary

Global Economy:

- *Global growth prospects are increasingly uncertain due to the spread of protectionist measures and the resultant fragmentation of international trade.*
- *Strong US consumer spending and a modest manufacturing sector coexist with moderate inflation and a resilient labour market. These trends reduce the impetus for immediate monetary easing, leaving a near-term rate cut unlikely at the Fed's January meeting. Over the longer term, the Federal Open Market Committee forecast anticipates fewer rate reductions with only two cuts in 2025.*
- *In the EU, retail sales and manufacturing activity continue to weaken, while political crises in key member states constrain fiscal stimulus ability. This underscoring the role of the ECB and expectations for further monetary easing are bolstered.*

Vietnamese Economy:

- *Vietnam's economy ended 2024 with an impressive growth rate of 7.1% thanks to strong exports and the recovery of the real estate sector. These drivers are likely to continue their positive trend, along with the Government's determination and policy measures, which form the basis for us to adjust the GDP growth forecast for 2025 from 6.8% to 7.0%.*
- *The manufacturing and export sectors will continue to be the main growth drivers but also pose many risks to Vietnam's GDP growth forecast in 2025, due to uncertainties in the international market and U.S. tax policies.*
- *Although the economic growth momentum in 2024 did not come significantly from domestic consumer demand, we expect the recovery of the real estate sector, combined with the 'wealth effect,' the continued recovery of the tourism sector, and stimulus policies to boost domestic demand in 2025.*
- *In terms of investment, while FDI continued to grow well in 2024 and is expected to maintain this momentum in 2025, development investment spending in 2024 decreased by nearly 9% compared to the same period last year and only reached 78% of the budget estimate. We still expect public investment and fiscal policies to make significant leaps and become the main growth drivers for the domestic economy amid many international market risks.*
- *We forecast inflation to be in the range of 3.3% to 4.0%, averaging around 3.6%, with a higher trend in the last months of 2025.*
- *We forecast that the VND will depreciate by approximately 3.5%, and deposit interest rates will increase by about 20 to 30 basis points by the end of 2025.*

Section 2

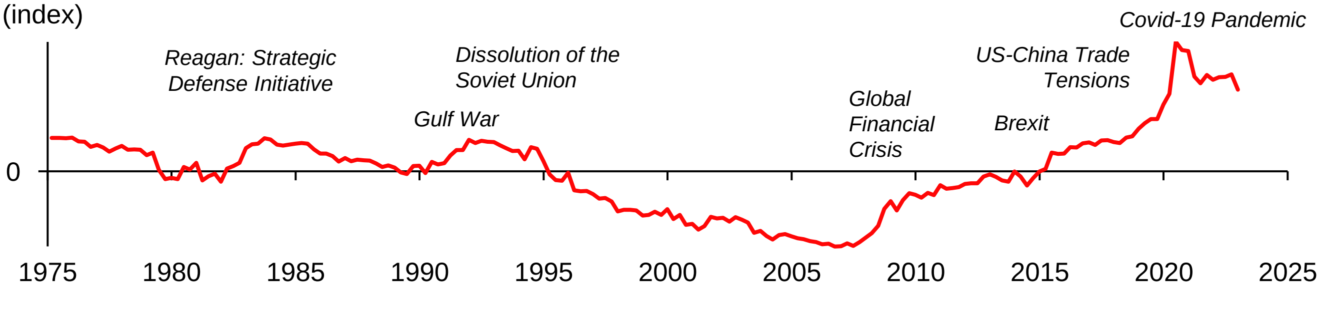
Global Economy

Escalating international trade fragmentation heightened volatility for global economic outlooks. Strong US consumer spending and a modest manufacturing sector coexist with moderate inflation and a resilient labour market, delaying a Fed rate cut. In the EU, retail sales and manufacturing activity continue to weaken, while political crises in key member states constrain fiscal stimulus ability. Thus, expectations for further ECB easing are bolstered.

Escalating international trade fragmentation heightened volatility for global economic outlooks

Global trade is showing clear signs of increasing fragmentation, as evidenced by the Geopolitical Fragmentation Index developed by researchers of the IMF, University of Pennsylvania and Johns Hopkins University (Figure 1), as well as by changes in the shares of global trade flows among countries (Figure 2). Countries are shifting from a unified international trading system to more regionally focused or politically aligned trade blocs. Notably, the US is redirecting its trade activities towards the EU, while China is increasingly channelling a significant portion of its trade towards ASEAN countries. This growing fragmentation is widely attributed to the rise in protectionist measures, which many observers fear could result in substantial output losses for economies worldwide. The situation appears even more pressing given the potential implementation of new US tariffs on a broad range of trading partners, which could, in turn, prompt retaliatory actions. Trade fragmentation disrupts supply chains and can lead to shortages of goods and services, creating upward pressure on prices and thereby contributing to inflation. At the same time, higher import costs could reduce real incomes and limit consumer spending, weakening aggregate demand and potentially undermining broader economic stability. With trade barriers likely to intensify if more countries follow suit, the risk of supply shocks and heightened volatility underlines the uncertainty that now characterises the global economic outlook.

Figure 1: Fragmentation index by researchers of the IMF, University of Pennsylvania & Johns Hopkins



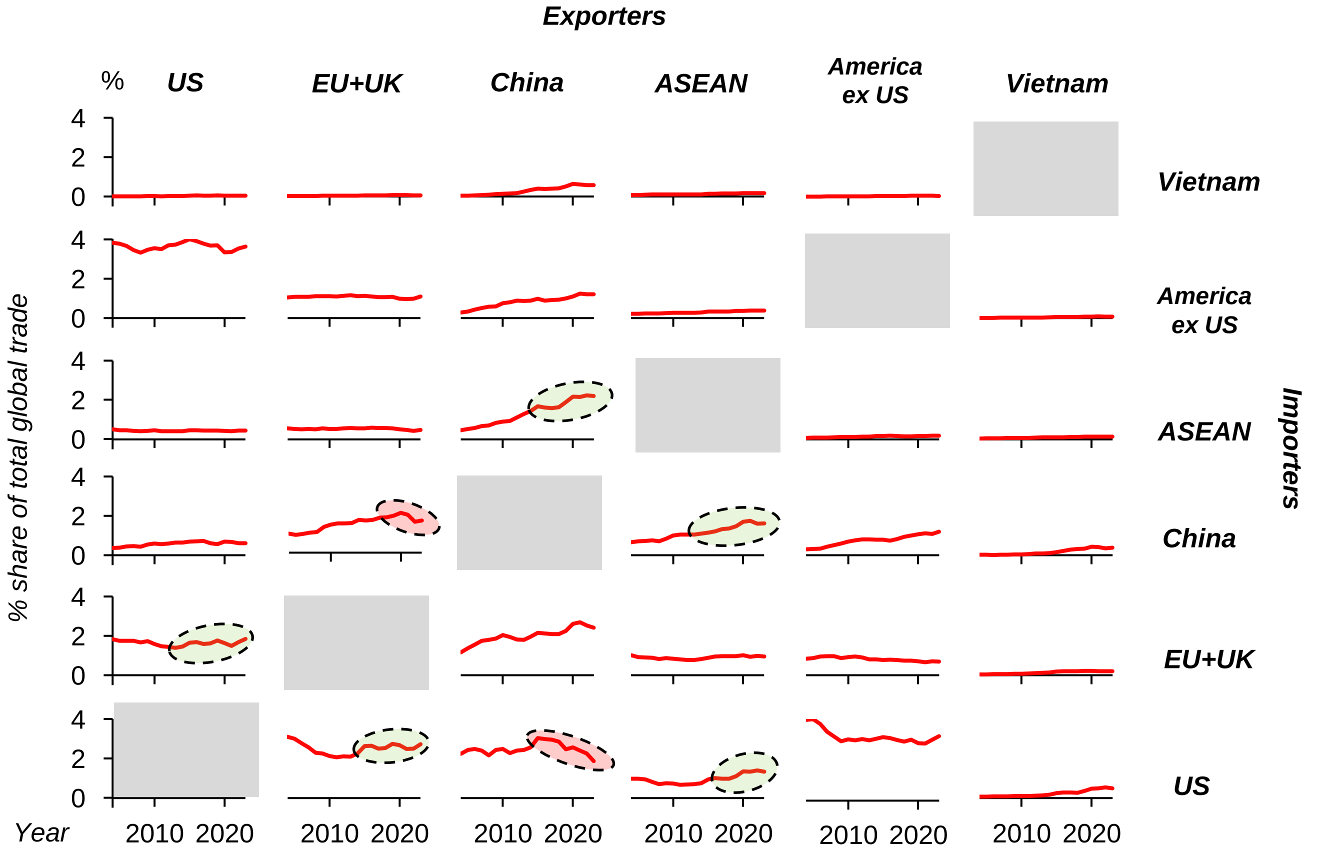
Sources: Refinitiv, ECB, Jesús Fernández-Villaverde, Tomohide Mineyama, and Dongho Song, TCB Market Research

Section 2

Global Economy *(Cont.)*

Figure 2: Share of trade value in global trade by Exporter/Importer

(%)



In the US, both the demand and supply sides exhibited resilience

In December 2024, both the demand and supply sides of the US economy demonstrated notable resilience. On the demand side, retail sales tracked by the Red Book Index continued to climb, underscoring the ongoing robustness of consumer spending. Additionally, the University of Michigan's consumer sentiment index rose to 74 – its highest level since April 2024. The report also reflects a 32% improvement in "buying conditions," driven by expectations of future price increases for major purchases and the perception that economic conditions have improved amid moderating inflation. Turning to the supply side, the ISM PMI Services advanced to 54.1, surpassing market forecasts, while the new orders index moved up to 54.2, further emphasising service sector strength. In manufacturing, the ISM PMI edged 0.9 points higher to 49.3, exceeding estimates of 48.4, and represented the mildest contraction since March 2024, when the sector briefly expanded. Notably, the new orders marked an 11-month high, signalling a promising condition for the US manufacturing sector.

Sources: Bloomberg, Refinitiv, ISM, BEA, Redbook Research, University of Michigan, TCB Market Research

Section 2

Global Economy *(Cont.)*

Figure 3: Michigan Consumer Sentiment Index

(Index)

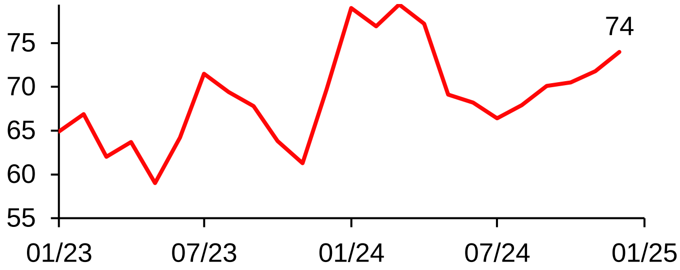
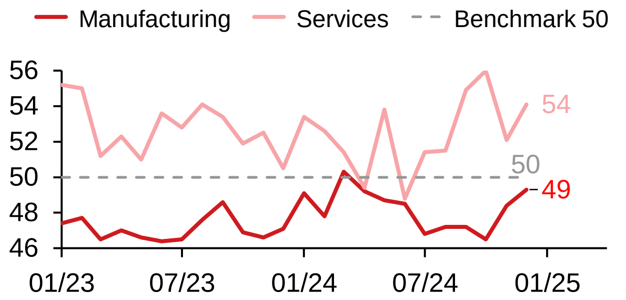


Figure 4: US ISM PMI

(Index)



We see the low chance for a Fed rate cut in this January meeting with inflation moderating and the labour market displaying resilience

As of December 2024, core inflation in the US has slightly eased to 3.2% YoY, lower than the market expectation of 3.3%, signalling a more favourable condition for the Federal Reserve (Fed). However, the headline inflation increased to 2.9%, and both numbers still exceed the Fed's 2% target. This combination underscores that the inflationary trend exhibits moderation. Meanwhile, labour market indicators remain strong, as job openings surpassed the market's expectation, and the unemployment rate slumped to 4.1%. We believe that the stickiness of inflation and a resilient labour market diminish the catalyst for immediate monetary easing action. Taken together, these factors point to a low likelihood of a rate cut at the Fed's upcoming January meeting.

Figure 5: US inflation

(% YoY)

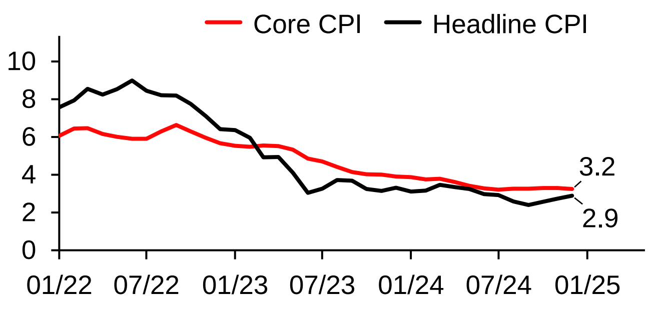
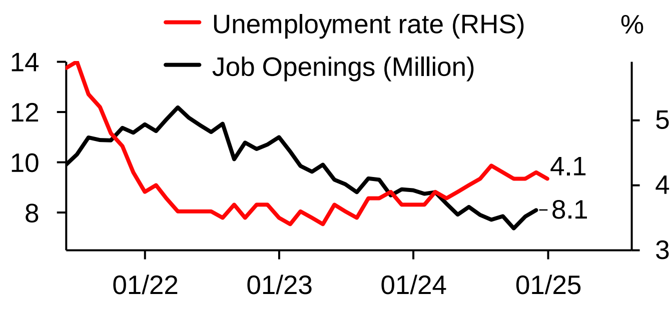


Figure 6: US job openings and unemployment rate

(Million,%)



Looking ahead, the Federal Reserve is anticipated to implement fewer rate cuts, navigating a landscape filled with uncertainty

Over the longer term, the Federal Open Market Committee (FOMC) forecast appears poised to implement fewer rate cuts than previously anticipated in September 2024, reflecting evolving projections and heightened uncertainty. Although the US unemployment rate is now lower than foreseen in September, the labour market is expected to cool marginally with the unemployment rate stabilising around 4.3% by 2025. Simultaneously, GDP growth is forecast to moderate, suggesting a gradual easing of economic momentum. A more striking development …

Sources: Bloomberg, Refinitiv, ISM, BEA, University of Michigan, TCB Market Research

Global Economy *(Cont.)*

… is the upward revision of the 2025 inflation forecast from 2.1% to 2.5%, which stems partly from unexpectedly robust growth in the later half of 2024 and the incorporation of conditional policy estimates by certain FOMC participants. As mentioned in our previous report (Report link), we believe that these policy include potential fiscal stimulus through tax cuts and renewed tariff measures under the Trump administration, both of which could drive inflation higher than some of the FOMC members previously envisaged. Consequently, while a path toward rate reductions remains intact with only two rate cuts, it is likely to be more measured and accompanied by significant unpredictability. This heightened sense of volatility is amplified by recent policies' statements and their rapid market impact. For instance, a Washington Post report on possible pared-back tariff plans that briefly weighed on the US Dollar Index (DXY) before a swift recovery following a denial by President Trump. Given the market's evident sensitivity to policy signals, it is prudent to maintain a cautious stance and await clearer evidence of policy direction and implementation before drawing definitive conclusions.

Figure 7: FOMC Fed rate projection

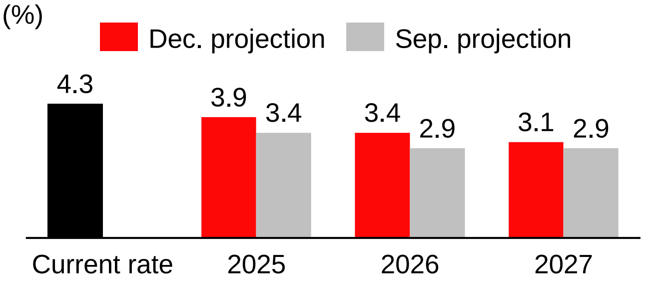
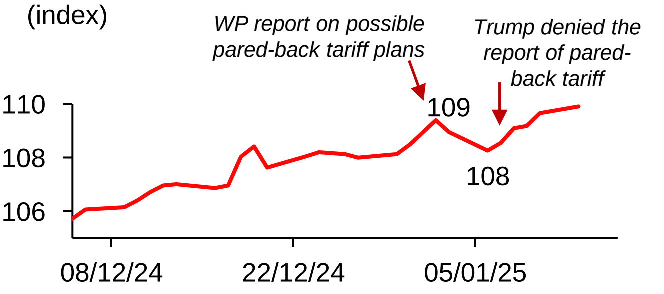


Figure 8: DXY impact on volatility events



The EU approaches 2025 while facing the ongoing economic challenges

Entering 2025, the EU faces a host of both external and internal pressures that complicate its economic outlook, particularly amid heightened uncertainty stemming from the new US administration's unpredictable policy direction. Although the EU has not yet been under a direct target of the current tariffs, the mounting global trade tensions and the possibility of 10-20% tariffs, as highlighted in our prior reports (Report link), have introduced an environment prone to supply chain disruptions and waning investor confidence. Such volatility could indirectly harm EU businesses by constraining their ability to plan for the future and adapt to rapidly changing trade conditions. Internal factors are also exerting significant pressure on the EU economy. Despite modest gains in the services sector, the latest PMI data show that these improvements are offset by a sharper contraction in manufacturing, particularly evident in…

Sources: Bloomberg, Refinitiv, Fed, Washington Post, Fred, S&P Global, TCB Market Research

… Germany, France, and Italy. On the demand side, retail sales growth continues to diminish, down to 1.2% YoY, while consumer confidence has weakened further. Compounding these economic challenges, simultaneous political crises in France and Germany undermine the traditional leadership that has long served as a primary catalyst for EU-wide initiatives, thereby constraining the potential for robust fiscal stimulus or unified policy measures.

Figure 9: EU retail sales

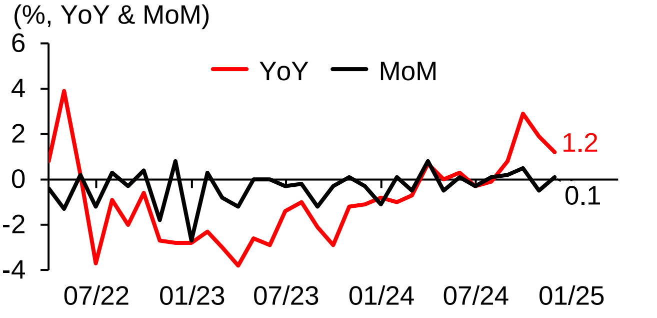
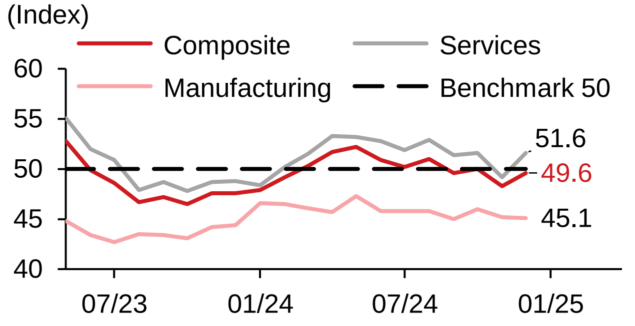


Figure 10: EU PMI



With ECB policy standing as a cornerstone for economic growth in the current environment, we expect the ECB would continue to cut rates in this January meeting

In the current environment, the European Central Bank (ECB) stands as the principal authority charged with addressing the EU's multifaceted economic challenges, and it thus faces the delicate task of supporting growth while concurrently safeguarding price stability. Inflation recently rose to 2.4%, primarily driven by higher energy prices. Despite the recent uptick in global oil prices as the US Biden Administration imposed stronger sanctions on Russian oil supply, analysts suggested that the actual consequences might be mitigated since purchasers and vendors devised means to circumvent the sanctions. As of early January, the market expected global oil prices to decline in 2025. Notably, EU core inflation has remained steady, providing the ECB with acceptable leeway to lower interest rates without undermining its mandate to keep inflation in check. In light of these developments and persistent economic pressures across the EU, we maintain our expectation that the ECB will proceed with an interest rate cut at its upcoming January meeting.

Figure 11: EU inflation

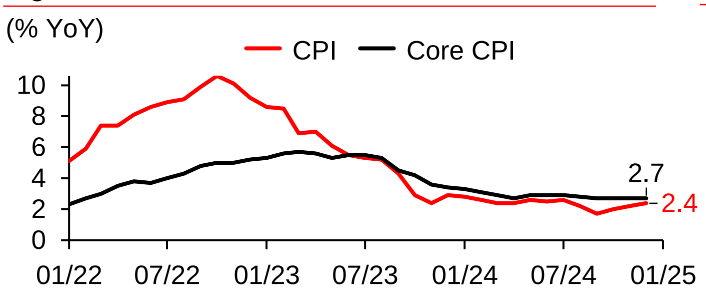
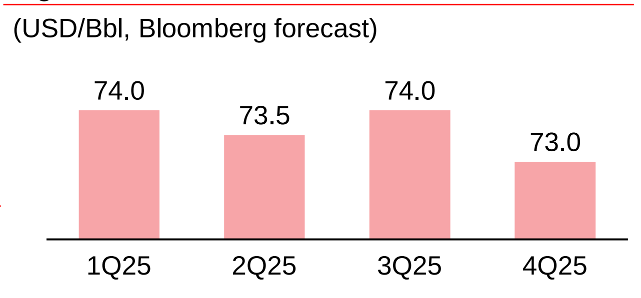


Figure 12: Brent crude oil forecast



Sources: Bloomberg, Refinitiv, S&P Global, European Commission, Eurostat, TCB Market Research

Vietnamese Economy

Global economic risks need close monitoring as they impact the Government's 8-10% growth target through exports and FDI. We've raised the GDP forecast to 7%, expecting public investment and consumer demand recovery to mitigate potential impacts from external risks. The VND is expected to depreciate by 3.5%, and deposit interest rates may rise by 0.2-0.3 percentage points

Vietnam's economy ended 2024 with an impressive growth rate of 7.1%, surpassing our forecast of 6.8%

Vietnam's economy ended 2024 with an impressive growth rate of 7.1%, surpassing our forecast of 6.8% and the IMF and World Bank's forecast of 6.1%. This impressive growth was achieved despite the global economic risks and difficulties, as well as the significant impact of Typhoon Yagi in the North in September (estimated to reduce GDP by 0.15%).

Strong recovery in exports, especially in electronic products (contributing more than one-third to total export growth for the year), supported the manufacturing industry, with this sector alone contributing 2.3 percentage points to the 7.1% GDP growth (nearly one-third). Additionally, although contributing less to GDP calculations, the real estate business services sector improved from 0.1% (2023) to 3.3% (2024), indicating the real estate sector is on a recovery path and has had positive impacts on the overall economy over the past year.

Figure 13: Contribution to GDP growth 2023-2024 and growth of some industries

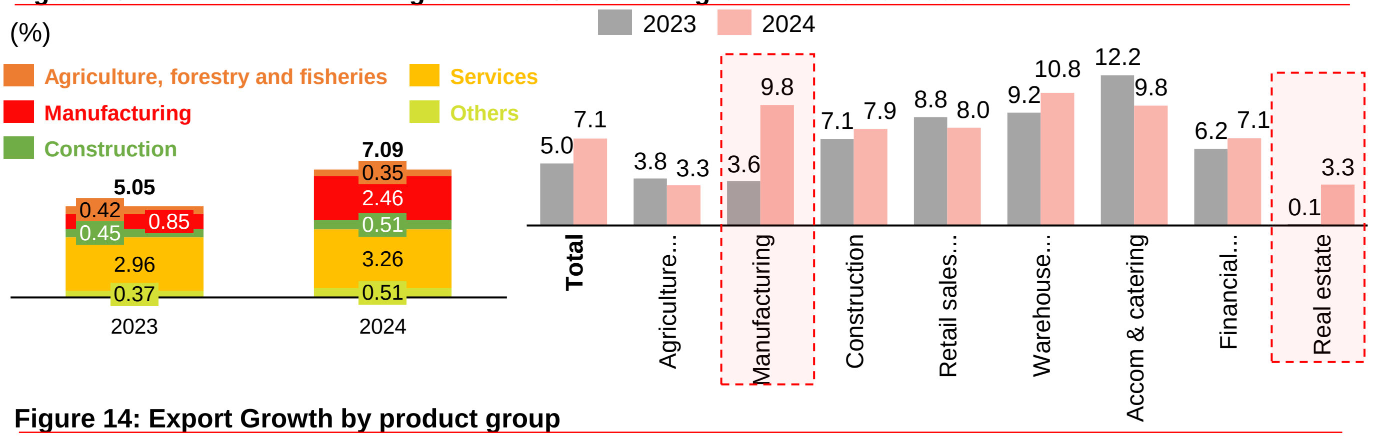
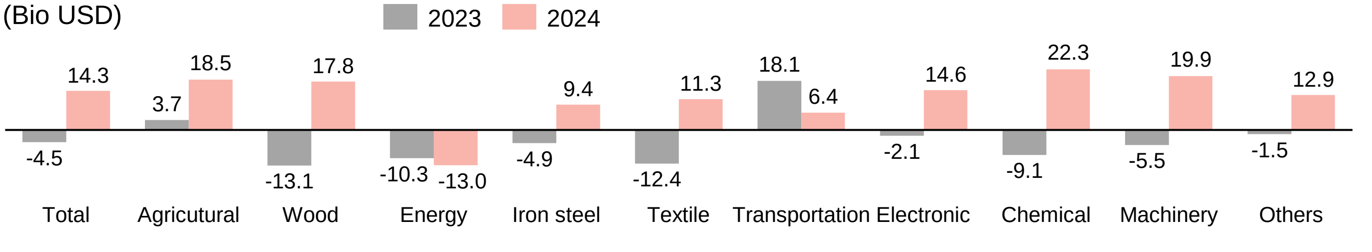


Figure 14: Export Growth by product group



Sources: GSO, VNcustom, TCB - Market Reseach

Section 3

Vietnamese Economy *(Cont.)*

The manufacturing PMI index declined in December

As stated in recent reports, the manufacturing and export sectors will continue to be the main growth drivers but also pose many risks that could slow economic growth in 2025. The Purchasing Managers' Index (PMI), an early warning indicator, fell below the 50 threshold in December, marking the lowest level of the year, excluding the September value due to Typhoon Yagi. Notably, the S&P Global report highlighted that the total number of export orders decreased for the second consecutive month with a significant decline, and business confidence fell to its lowest level since May 2023. Perhaps the threats of tax policies from the Trump 2.0 administration, although not directly targeting Vietnam, have caused domestic manufacturers to worry with numerous questions such as: Will the US impose tariffs on Vietnam? If so, when? Which products will be taxed? What will the tax rate be? The only way to find answers at this time is to continue waiting for the next steps from the US administration.

According to S&P Global, business confidence has fallen to its lowest level in 19 months

Figure 15: Manufacturing PMI

(Index)

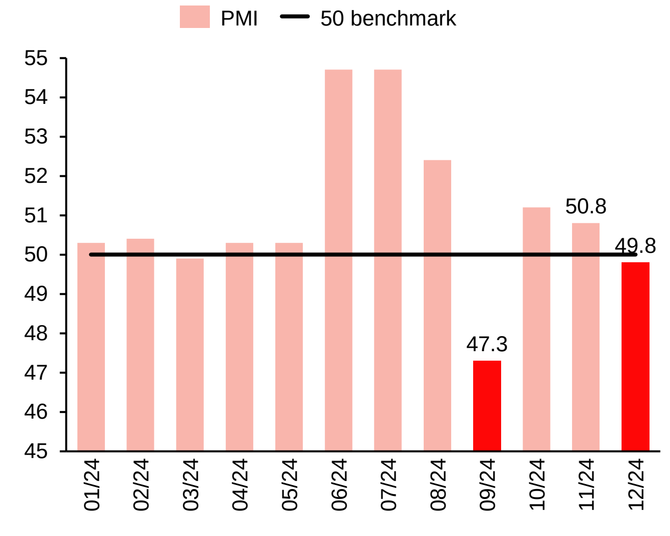
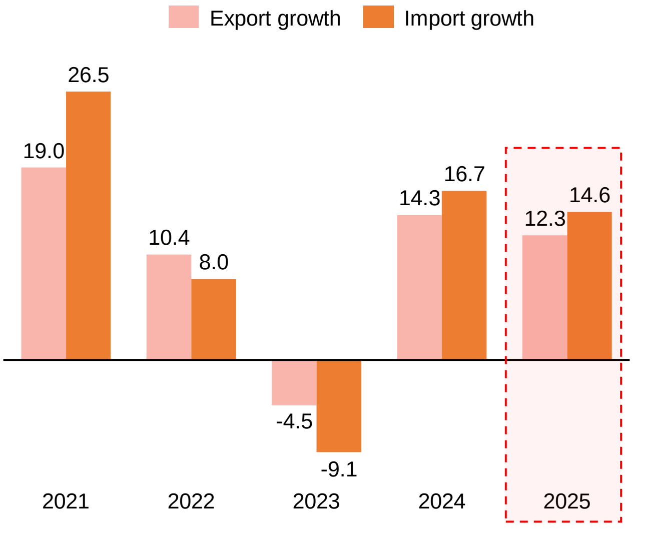


Figure 16: Vietnam's export-import growth

(%)



The manufacturing sector is forecasted to grow by nearly 10% in 2025

Based on preliminary assessments of global economic growth and tax policies, we have not changed our export-import growth forecast, which is expected to remain in double digits. The manufacturing sector is also forecasted to continue its growth momentum, around 9.9% in 2025. However, given the potential for significant fluctuations in the coming period, we do not rule out the possibility that these forecasts may change more frequently than in previous years.

Sources: General Statistics Office (GSO), TCB Market Research

Vietnamese Economy *(Cont.)*

The economic growth momentum in 2024 did not come significantly from domestic consumer demand

Recently, we have received many questions about why the economic growth figures look good, but the feeling is not the same. The reason is that the economic growth drivers in 2024 did not come much from consumer demand and the business situation was not very positive, making the overall perception more difficult. Consumer demand remained weak, as evidenced by figures such as retail sales growth excluding prices at only 5.9%, or the wholesale and retail trade, repair of motor vehicles and motorcycles sector's growth slowing for two consecutive years and for the first time achieving growth below 8% since 2013 (excluding the two years affected by Covid-19, 2020 and 2021). Furthermore, the health of businesses also painted a not very positive picture, with many sectors witnessing growth in the number of dissolved and inactive businesses far exceeding the growth in the number of newly established and returning businesses over the past year. If we look at the monthly figures, the total number of businesses waiting for dissolution procedures and those that have completed dissolution procedures in December was the highest since 2020.

Figure 17: Enterprises situation

(%, YoY, 2023-2024)

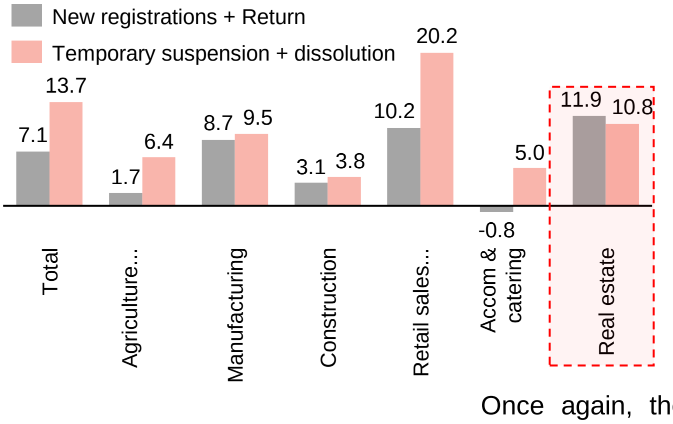
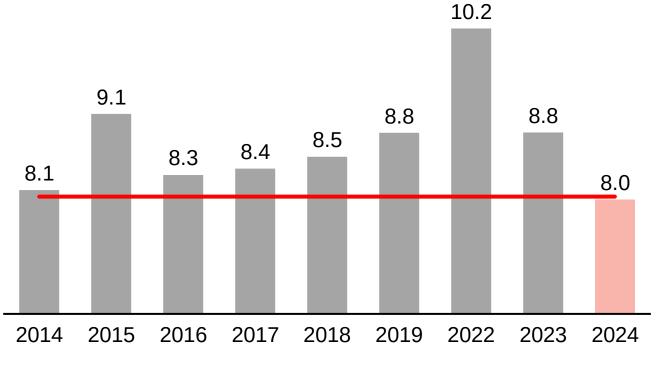


Figure 18: Whole, retail sales, repair of motorbikes and cars growth

(%)



Once again, the bright spot came from the real estate business services sector, which was one of the few sectors with the best growth in new registrations and returning to operation. Currently, we still maintain the view that the real estate sector will continue to have clearer recoveries in 2025 when the three related laws have been reformed, along with a stable interest rate environment. From here, combined with the "wealth effect," the continued recovery of the tourism sector, and stimulus policies, will be the driving force for better domestic demand in 2025.

Sources: GSO, TCB Market Research. Note: The wealth effect refers to the adjustment in individual consumption when they see the value of their assets (especially housing and stocks) change

Section 3

Vietnamese Economy *(Cont.)*

Registered FDI increased by 20%, and implemented FDI increased by 9% in 2024

The gross fixed capital formation component in GDP by expenditure method increased by 7.2% last year (higher than the 7.09% of GDP), clearly showing why we continue to expect investment to be the main growth driver in 2025, although there are still many points to watch. Foreign investment capital continued to paint a positive picture, increasing by 20% for total newly registered FDI, adjusted, and 9% for total implemented FDI in 2024. However, although we believe this foreign capital will continue to flow into Vietnam in the coming years, this factor will need to be closely monitored before international market fluctuations. For example, if we only consider newly registered FDI capital, we still grew by 6% in the first 11 months of the year, but the whole year witnessed a slight decline of -2%. This is a point to watch further, as December 2023 saw an unusually strong increase, creating a high base level.

Figure 19: Total registered FDI

(Bio USD)

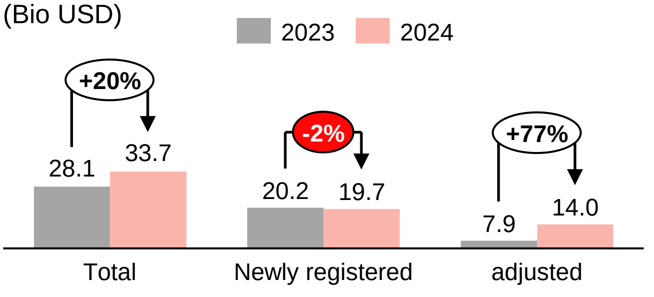
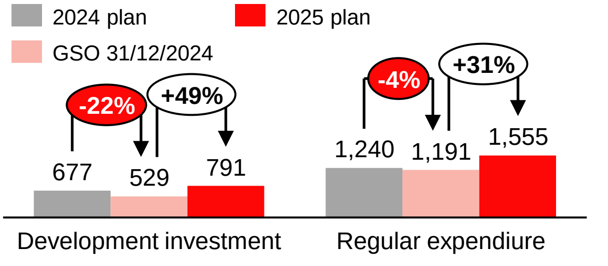


Figure 20: Development and regular expenditure

(Trio VND)



Development investment spending in 2024 decreased by nearly 9% YoY and only reached 78% of the budget plan

According to calculations by the GSO as of December 31, 2024, development investment spending in 2024 decreased by nearly 9% YoY and only reached 78% of the budget plan, 77.5% compared to the Prime Minister's plan, showing that the Government and ministries will need more determined steps to promote public investment disbursement in 2025. With a development investment spending plan of nearly 791 trillion VND (an increase of 17% compared to the 2024 estimate) and usually in the years before the National Assembly elections, the settlement rate on the development investment spending estimate averaged 135% (average of the last 4 election cycles), we still expect public investment and fiscal policy to have breakthrough steps and become the main growth driver for the national economy in the context of many international market risks.

Sources: (GSO), TCB Market Research

Vietnamese Economy *(Cont.)*

We have raised the GDP growth forecast to 7% for 2025, but it comes with many risks

Based on the above analysis of economic growth drivers and the Government's determination to strive for an economic growth target of 8-10% in 2025, we raise the growth forecast from 6.8% to 7.0%. It should be noted that the above forecast comes with a large margin of error in the context of many global economic risks that will have direct impacts on the main growth drivers.

Figure 21: Quarterly GDP growth

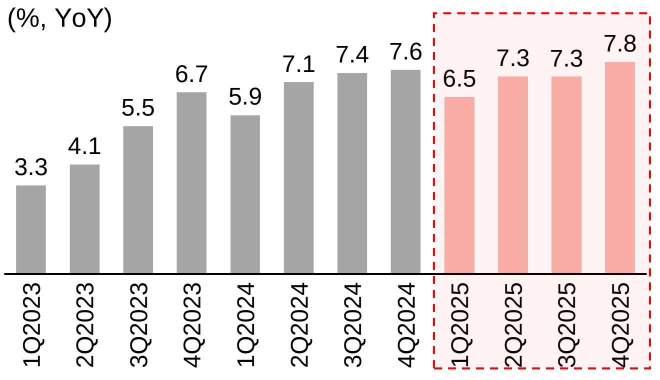
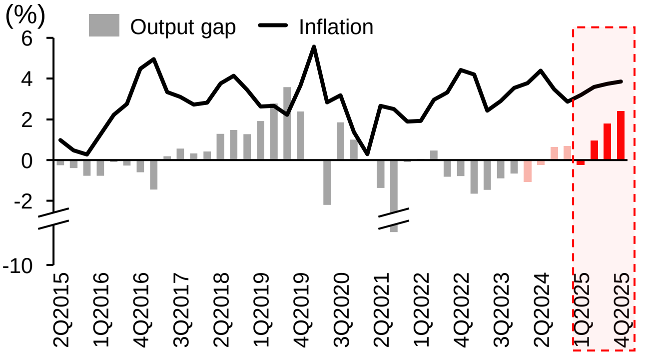


Figure 22: Output gap and inflation



We forecast inflation to be in the range of 3.3% to 4.0%, averaging around 3.6%, with a higher trend in the last months of 2025

Through the lens of the output gap (actual GDP compared to potential GDP), we once again see that the growth in 2024 was only relative when the actual growth in the first two quarters was still below potential, and the next two quarters exceeded potential but still less than the 2018-2019 period. This output gap partly helps us assess core inflation pressure in the future (warning about 1-2 quarters in advance) thanks to the "Phillips curve" hypothesis, and core inflation pressure in 2025 will not be too great, but may be larger in the following years. With assumptions such as oil prices tending to stabilise; government-adjusted prices will still increase as every year, we forecast inflation will be in the range of 3.3% to 4.0%, averaging about 3.6% with a higher trend in the last months of 2025. Our forecast error will mainly come from oil prices, and freight rates increasing/decreasing beyond expectations, due to international market fluctuations.

Despite the pressures from the strengthening USD in the global market, our VND has remained in the 25,450 range over the past period, thanks to the support from the foreign currency supply of the State Bank of Vietnam (SBV) and remittances during the Tet period.

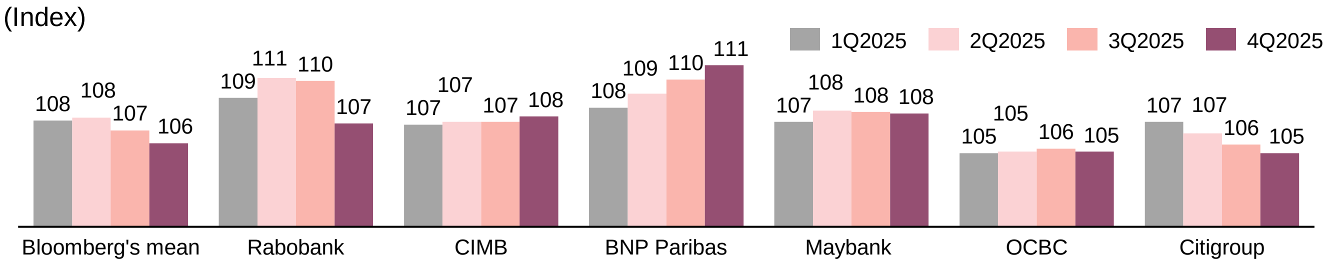
Sources: (GSO), TCB Market Research

Vietnamese Economy *(Cont.)*

We forecast that the VND will depreciate by approximately 3.5% by the end of 2025

However, with the inauguration of the new US President Donald Trump approaching, not only us but also economists and exchange rate experts are holding their breath waiting for the policies that the Trump 2.0 administration will introduce because everyone understands that everything related to the USDVND exchange rate in the future will depend on this. The current strengthening trend of the USD is considered inevitable, but its path throughout 2025 is still subject to differing opinions and very difficult to predict. According to our assessment, the USD does not necessarily have to wait for figures such as inflation, and unemployment rates, etc., to be affected by import tax policies (estimated to be seen by the end of 2025, early 2026), to show clear fluctuations. We assess that at the time the Trump administration announces measures (estimated in the first and second quarters), the USD will show strength through the DXY (Dollar index) possibly soaring to 112-115 when the market has not fully priced in US policy factors into the USD price. Accordingly, we forecast the VND will depreciate by about 3.5% by the end of 2025. Of course, in the context of many fluctuations in the global market, the risk of forecast errors is considerably high.

Figure 23: DXY forecast according to Bloomberg survey



We assess that deposit interest rates will increase in the near future, with a forecasted rise of about 20 to 30 basis points

Entering 2025, the interest rate level will be influenced by many intertwined factors, partly from the VND being under pressure to depreciate against the USD as mentioned above, and partly needing to maintain low-interest rates to support the economic growth target of 8% to 10%. We temporarily maintain the forecast that the SBV will continue to use tools to pump and withdraw VND money rhythmically to support interbank liquidity, thereby maintaining interest rates in the range of 3% to 5% for a one-week term. When this interest rate range is just enough to ensure liquidity stability for the system, it is also enough to make the USD-VND interest rate differential the smallest to limit holding USD due to more attractive interest rates.

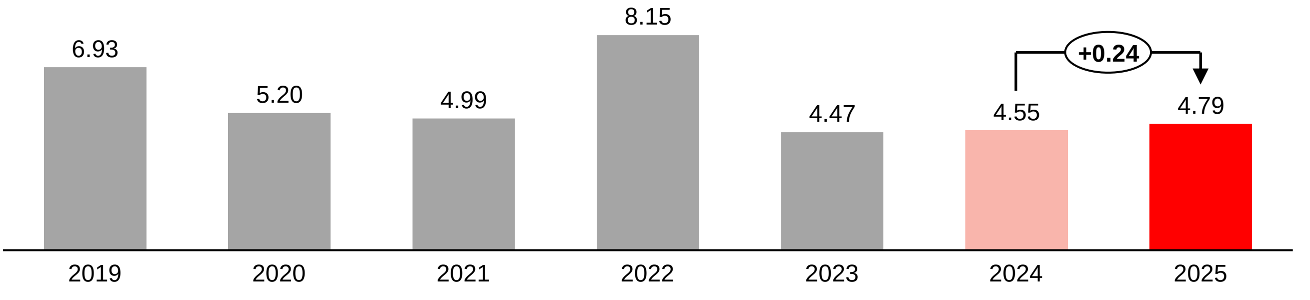
Sources: (GSO), TCB Market Research, Bloomberg survey

Vietnamese Economy *(Cont.)*

With the adjustment of the economic growth forecast to 7%, combined with the credit growth target of 16%, and potential high pressure on VND depreciation, affecting deposit growth, we assess that deposit interest rates will tend to increase in the near future, with a forecast increase of about 20 to 30 basis points for the average interest rate of the group of 14 joint-stock commercial banks without state capital for a 6-month term in 2025.

Figure 24: Weighted average deposit rate 6-month tenor of JSB14

(%, eop)



Sources: (GSO), TCB Market Research

Section 4

Appendix

Updates on macroeconomics and financial market in the world

Indicators	Country	Unit	2023	2024											
				01	02	03	04	05	06	07	08	09	10	11	12
Real GDP Growth	US	%, YoY, Quarterly	2.9			2.9			3.0			2.7			
	Eurozone	%, YoY, Quarterly	0.4			0.5			0.6			0.9			
	China	%, YoY, Quarterly	5.2			5.3			4.7			4.6			
	Japan	%, YoY, Quarterly	1.9			-0.9			-1.0			0.3			
CPI	US	%, YoY, Monthly	4.1	3.1	3.2	3.5	3.4	3.3	3.0	2.9	2.5	2.4	2.6	2.7	2.9
	EU	%, YoY, Monthly	5.5	2.8	2.6	2.4	2.4	2.6	2.5	2.6	2.2	1.7	2.0	2.3	
	China	%, YoY, Monthly	0.2	-0.8	0.7	0.1	0.3	0.3	0.2	0.5	0.6	0.4	0.3	0.2	0.1
	Japan	%, YoY, Monthly	3.3	2.2	2.8	2.7	2.5	2.8	2.8	2.8	3.0	2.5	2.3	2.9	
Fed funds target rate		%. End of month	5.3	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.00	5.00	4.75	4.50
DXY		Index. Monthly Average	103.4	102.95	104.1	103.7	105.41	104.95	105.17	104.63	102.21	101.0	103.3	105.9	107.2
USD/CNY		Index. Monthly Average	7.1	7.17	7.19	7.20	7.24	7.23	7.25	7.26	7.15	7.08	7.09	7.21	7.28
10Y UST Yields		%. Monthly Average	4.0	4.05	4.23	4.21	4.51	4.48	4.31	4.25	3.87	3.72	4.09	4.4	4.4
WTI Oil price		USD/barrel. Monthly Average	77.6	73.86	76.61	80.4	84.4	78.6	78.7	80.48	75.43	69.37	71.56	69.5	69.7

Updates on macroeconomics and financial market in Vietnam

Indicators	Unit	2023	2024											
			01	02	03	04	05	06	07	08	09	10	11	12
Real GDP growth	%, Quarterly, YoY	5.05			5.87			7.09			7.4			7.55
IIP	%, Monthly, YoY	1.50	18.86	-6.81	4.13	6.30	8.90	10.92	11.23	9.50	10.84	7.02	7.95	8.84
Headline CPI	%, Monthly, YoY	3.25	3.37	3.98	3.97	4.40	4.44	4.34	4.36	3.45	2.63	2.89	2.77	2.94
Retail sales growth	%, Monthly, YoY	9.60	8.1	8.5	9.2	9.0	9.0	9.1	9.4	7.9	7.6	7.1	8.8	9.3
Registered FDI	USD billion, Monthly	28.10	2.2	1.8	1.7	2.6	1.7	3.5	2.2	2.0	3.5	2.4	3.7	6.4
Disbursed FDI	USD billion, Monthly	23.20	1.5	1.3	1.8	1.7	2.0	2.6	1.7	1.6	3.2	2.2	2.1	3.7
Trade exports	USD billion, Monthly	354.7	34.5	24.7	33.7	31.1	32.3	34.5	36.8	38.0	34.2	35.9	34.3	35.6
Trade imports	USD billion, Monthly	326.4	30.9	23.3	30.9	29.9	32.7	31.2	34.1	33.9	32.0	33.4	33.3	35.1
Trade balance	USD billion, Monthly	28.3	3.6	1.4	2.8	1.2	-0.4	3.0	2.7	4.1	2.2	2.5	1.0	0.5
Deposit growth	%, YTD	13.20	-1.29	-1.70	-0.90	-0.1	0.00	2.60	2.00	3.65	5.7			
Credit growth	%, YTD	13.80	-0.68	-0.75	1.42	2.01	3.43	6.10	5.93	7.31	9.1	10.2		
10Y Government bond yields	%, Monthly Average	3.08	2.25	2.32	2.50	2.78	2.80	2.80	2.79	2.73	2.68	2.67	2.74	2.88
1W Interbank rate	%, Monthly Average	2.60	0.43	2.53	1.32	4.20	4.55	4.84	4.79	4.64	4.14	3.81	4.99	4.50
6M Deposit rate**	%, Monthly Average	6.49	4.24	4.01	3.82	3.75	3.87	4.10	4.24	4.39	4.43	4.43	4.49	4.54
USD/VND	Monthly Average	23,847	24,476	24,520	24,724	25,153	25,446	25,443	25,370	25,026	24,624	25,058	25,373	25,423

Updated full-year forecasts for Vietnam

Indicators	Unit	2023	2024												Forecast
			01	02	03	04	05	06	07	08	09	10	11	12	2025
Real GDP growth	%	5.05			5.87			7.09			7.40			7.55	7.0
Headline CPI	%, YoY. Average	3.25	3.37	3.98	3.97	4.40	4.44	4.34	4.36	3.45	2.63	2.89	2.77	2.94	3.60
Deposit growth	%, YTD	13.20	-1.29	-1.70	-0.90	-0.1	0.00	2.60	2.00	3.65	5.7				14.6
Credit growth	%, YTD	13.80	-0.68	-0.75	1.42	2.01	3.43	6.10	5.93	7.31	9.1	10.2			16.0
USD/VND	Average	23,847	24,476	24,520	24,724	25,153	25,446	25,443	25,370	25,026	24,624	25,058	25,373	25,423	26,191
10Y Government bond yields	%, 10Y, Average	3.08	2.25	2.32	2.50	2.78	2.80	2.80	2.79	2.73	2.68	2.67	2.74	2.88	3.18
1W Interbank rate	%, Average	2.60	0.43	2.53	1.32	4.20	4.55	4.84	4.79	4.64	4.14	3.81	4.99	4.50	3.95

Sources: GSO. Customs. VBMA. Reuters. TCB Analysis

Notes:

* Estimated numbers

** Weighted average of 14 banks

The latest trade data updated by GSO. Previous data updated by Customs