



NGÂN HÀNG NHÀ NƯỚC VIỆT NAM
THE STATE BANK OF VIET NAM

BÁO CÁO THƯỜNG NIÊN

ANNUAL REPORT

2023

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NHÀ XUẤT BẢN THÔNG TIN VÀ TRUYỀN THÔNG
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LIST OF ABBREVIATIONS

Abbreviation	Interpretation
ADB	Asian Development Bank
AIIB	Asian Infrastructure Investment Bank
BIS	Bank for International Settlements
BOP	Balance of payment
CAR	Capital Adequacy Ratio
CIs	Credit institutions
CIC	Viet Nam's National Credit Information Center
CPI	Consumer Price Index
ECB	European Central Bank
FDI	Foreign Direct Investment
Fed	U.S. Federal Reserve
FX	Foreign exchange
GDP	Gross Domestic Product
GSO	General Statistics Office
IBEC	International Bank for Economic Co-operation
IIB	International Investment Bank
IFC	International Finance Corporation
IMF	International Monetary Fund
M2	Total liquidity
NPL	Non-performing loan
OMO	Open Market Operations
p.a.	Per annum
PCFs	People's Credit Funds
ROA	Return on assets
ROE	Return on equity
RR	Reserve requirement
SBV	State Bank of Viet Nam
SOCBs	State-owned commercial banks
SSC	State Securities Commission
USD	U.S. Dollar
VAMC	Viet Nam's Asset Management Company
VBARD	Viet Nam Bank for Agriculture and Rural Development
VBSP	Viet Nam Bank for Social Policy
VND	Vietnamese Dong
WB	World Bank
WTO	World Trade Organization
y-o-y	Year on year
y-t-d	Year to date

STATUS AND FUNCTIONS OF THE STATE BANK OF VIET NAM



Headquarters, 49 Ly Thai To Street, Ha Noi, Viet Nam

▫ The State Bank of Viet Nam is a ministerial-level agency of the Government, Central Bank of the Socialist Republic of Viet Nam which performs state management over monetary, banking activities and foreign exchange; plays the role of a central bank issuing banknotes, acts as the bank of CIs and the monetary service provider for the Government.

Summary of Article 2, 2010 Law on the State Bank of Viet Nam

▫ The national monetary policies include national decisions of state authorities on the currency value stabilizing objectives represented by inflation target, use of proper instruments and measures to fulfill the set objectives.

Clause 1, Article 3, 2010 Law on the State Bank of Viet Nam

▫ The National Assembly determines annual inflation targets reflected by the consumer price index and supervises the implementation of the national monetary policies.

Clause 2, Article 3, 2010 Law on the State Bank of Viet Nam

▫ The Government submits to the National Assembly for decision on annual inflation target. The Prime Minister, the Governor of the State Bank of Viet Nam decide on the use of proper instruments and measures to realize national monetary objectives in accordance with the regulation of the Government.

Clause 4, Article 3, 2010 Law on the State Bank of Viet Nam

MANAGEMENT BOARD OF THE STATE BANK OF VIET NAM



Ms. Nguyen Thi Hong
Governor



Mr. Dao Minh Tu
Standing Deputy Governor



Mr. Nguyen Kim Anh
Deputy Governor
(Retire from 01/06/2023)



Mr. Doan Thai Son
Deputy Governor



Mr. Pham Tien Dung
Deputy Governor



Mr. Pham Thanh Ha
Deputy Governor



Mr. Pham Quang Dung
Deputy Governor¹

¹ Appointment date: 01/01/2024



Governor
Nguyen Thi Hong

Forewords by the Governor

In 2023, the global economy continued to face many difficulties and challenges. The repercussions of the Covid-19 pandemic and prolonged geopolitical conflicts, such as the comprehensive crisis in Gaza, resulted in continued disruptions to energy and food supply chains. These factors kept the global economy in a fragile and vulnerable state throughout 2023. Weakening demand and slow economic growth in many countries occurred amidst persistent inflationary pressures, tight monetary conditions, and financial risks due to the declining asset quality of banks, with some banks in the US and Europe facing the risk of bankruptcy. Many currencies depreciated sharply against the USD, and capital continued to flow out of emerging and developing markets. Domestically, Viet Nam's economy was negatively impacted by international factors, alongside internal issues. Key growth drivers of export, investment, and consumption faced challenges due to low global demand, reduced orders, and struggling enterprises. Meanwhile, inflation, after consistently rising throughout 2022, continued to approach 5% at the beginning of 2023. The financial and real estate markets encountered difficulties, and the economy's capital needs remained reliant on bank credit, putting pressure on the safety of banking operations. This context created significant challenges for monetary policy management and banking activities, as they aimed to contribute to macroeconomic stability, control inflation, support economic recovery, and maintain the safety of the banking system. In line with the directives of the National Assembly, the Government, and the Prime Minister, particularly through the resolutions on the implementation of the Socio-Economic Recovery and Development Program for 2022-2023 and the Socio-Economic Development Plan for 2023, the SBV closely monitored macroeconomic, financial, and monetary developments both domestically and internationally. This enabled the SBV to promptly, synchronously, and optimally manage monetary policy tools and banking operations to control inflation, stabilize the macroeconomy, support economic recovery and growth, and ensure the safety of the credit institution system. Specifically:

First, the SBV further refined the legal framework for monetary and banking activities. The SBV continued to focus on refining the legal framework, mechanisms, and policies, timely submitting to the competent authorities or issuing legal documents, ensuring their alignment with practical needs, and gradually applying international standards. The SBV also emphasized the dissemination, communication, and resolution of issues encountered during the implementation of banking laws, ensuring the effective application of policies in practice. In 2023, the SBV drafted the amended Law on CIs and submitted it to the National Assembly for review, while also issuing several important legal documents and directives, focusing on key issues such as: introducing regulations for electronic lending methods, and providing relief and support to businesses facing difficulties in production and operations, as directed by the Government and the Prime Minister.

Second, monetary policy was managed proactively, flexibly, and effectively, in close and synchronous coordination with fiscal policy and other macroeconomic policies to control inflation, support macroeconomy stability, and reasonable economic growth.

Although global interest rates continued to rise and remain high, and the USD kept appreciating in international markets, putting pressure on the domestic monetary and foreign exchange markets, the SBV closely monitored inflation developments and implemented measures, following the directives of the National Assembly and Government, to provide relief and support economic recovery and growth. These measures included: (1) Continuously adjusting the policy interest rates four times, with a total reduction ranging from 0.5% to 2.0% p.a., while global interest rates remained high. This move aimed to reduce market lending rates and improve access to capital for businesses and citizens; (2) Managing exchange rates flexibly to absorb external shocks, while deploying measures to limit significant short-term fluctuations in the exchange rate, aiming for overall macroeconomic stability and timely purchasing foreign currency for State foreign reserves when market conditions allowed; (3) Managing open market operations (OMO) flexibly to support the liquidity of CIs, stabilize interest rates, and maintain foreign exchange market stability amidst increasing pressure, thereby contributing to the stability of the monetary market and achieving monetary policy objectives.

Third, the SBV drastically deployed solutions to provide credit for economic activities, increase access to credit, remove difficulties for businesses, contribute to controlling inflation, support economic growth, continue to implement the Socio-Economic Recovery and Development Program. In the context of economic difficulties, declining demand, and the economy's ability to absorb capital being still weak, the SBV managed credit growth for economic recovery and growth, with careful attention to inflation risks and safety of the system. It also continued to implement credit solutions that combine growth with credit quality; focused credit on production and priority areas while strictly controlling credit for potentially risky areas. At the same time, the SBV deployed many solutions to remove difficulties, supplement regulation on electronic lending methods create favorable conditions for businesses and people to access bank credit, contributing to limiting black credit.

In addition, the SBV drastically implemented the solutions and goals set out in the Socio-Economic Recovery and Development Program including a 2% p.a. interest rate support scheme financed by the state budget and deployed through the commercial bank system, preferential credit implemented through the VBSP. At the same time, the SBV regularly reviewed and calibrated measures and policies to support people and businesses so as to ensure their practicality, accessibility and applicability, and promote green credit.

Fourth, continuing to decisively and effectively implement the restructuring of the system of CIs in conjunction with handling non-performing loans, while enhancing inspection, supervision, and risk warnings; thereby improving the role of financial intermediaries of the CIs system in supplying capital and services to the economy, along with ensuring system safety. Accordingly, the SBV has directed CIs to strengthen and comprehensively improve financial, governance, and non-performing loan handling aspects, while enhancing control measures to improve credit quality, business efficiency, and competitiveness, and increase transparency in operations. As a result, the stability

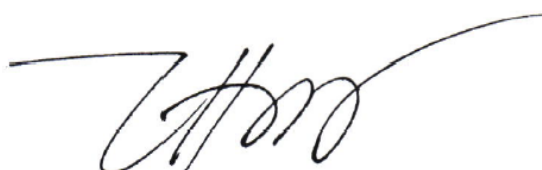
and safety of the CI system have been maintained; financial capacity and governance quality have gradually improved, approaching international standards.

Fifth, promoting digital transformation and enhancing non-cash payment activities; ensuring security and safety in payment operations and banking information systems; and combating high-tech crimes in the banking sector. The SBV continues to actively implement projects, programs, plans, and policies to promote digital transformation in the banking sector, applying new technologies while ensuring security and safety. In addition, the SBV has actively implemented Decision No. 06/QĐ-TTg dated January 6, 2022, of the Prime Minister approving the Project on developing applications of population data, identification, and electronic authentication to serve the national digital transformation for the 2022-2025 period, with a vision to 2030. This includes issuing the 2023 Plan for the banking sector and actively directing CIs and payment intermediaries to apply national population data, chip-based citizen ID cards, and electronic identification accounts (VNeID) to support public services, credit information operations, and other banking operations.

Sixth, the SBV continues to effectively and synchronously implement foreign exchange management measures, carrying out the policy of combating dollarization of the economy; decisively implementing administrative reforms, enhancing transparency of information; intensifying communication efforts; and innovating and improving the statistical work, organization, training, scientific research, and financial supervision. At the same time, the SBV continues to develop and expand bilateral and multilateral relations with central banks of other countries and international financial institutions to gain support, assistance, and elevate Viet Nam's position on the international stage.

Thus, despite the complex global economic fluctuations in 2023, through the synchronous coordination of monetary policy tools and banking operations, the SBV has flexibly and promptly adapted to developments and contributed to positive results in the government's macroeconomic management in 2023: GDP growth for the year reached 5.05%, with the growth trend steadily increasing quarter by quarter, a higher rate compared to the region and the world. Inflation was controlled at 3.25%, lower than the target set by the National Assembly. Macroeconomic stability and the safety of the CI system were maintained, and the Vietnamese dong remained relatively stable compared to currencies in the region. These results have continued to strengthen the economy's resilience to significant challenges and disadvantages in 2024 and the following years./.

Governor of the SBV



NGUYEN THI HONG

DEPARTMENTS AND ADMINISTRATION UNITS OF THE STATE BANK OF VIET NAM

<i>Monetary Policy Department</i>	Advises and assists the Governor of the SBV in determining instruments in carrying out national monetary policy such as refinancing, interest rate, exchange rate, reserve requirements, open market operations, issuance of central bank bills, and other tools and measures to implement national monetary policy.
<i>Foreign Exchange Management Department</i>	Advises and assists the Governor in performing the state management functions on foreign exchange, foreign exchange activities, and gold trading activities in accordance with the law.
<i>Payment Department</i>	Advises and assists the Governor in performing the state management functions in the field of payment in the national economy and digital banking activities in accordance with the law.
<i>Economic Sectoral Credit Department</i>	Advises and assists the Governor in performing the state management functions in the field of banking credit for economic sectors in accordance with the law.
<i>Forecasting and Statistics Department</i>	Advises and assists the Governor in performing the state management functions on statistics; organize statistical activities of the banking sector in accordance with the law; carry out forecasting tasks related to monetary and banking sectors.
<i>International Cooperation Department</i>	Advises and assists the Governor in performing the state management functions on international cooperation and integration within the scope of management of the SBV in accordance with the law.
<i>Monetary and Financial Stability Department</i>	Advises and assists the Governor in stabilizing the monetary and financial systems within the SBV's scope of state management.
<i>Internal Audit Management</i>	Advises and assists the Governor in performing internal audits and control within the SBV.
<i>Legal Affairs Department</i>	Advises and assists the Governor in performing state management functions through legal measures in the fields of monetary policy, banking activities, foreign exchange, and organizing legal affairs of the SBV in accordance with the law.
<i>Finance and Accounting Department</i>	Advises and assists the Governor in managing the finances, accounting, and construction investment of the SBV; perform state management in the fields of accounting, finance, and construction investment of the SBV.
<i>Personnel and Organization Department</i>	Advises and assists the Governor and the SBV's Party Committee in managing organizational structures, staffing, job positions, salary regimes, personnel work, and training and development for officials, public servants, employees, and workers under the SBV's management in accordance with the law; manage state functions related to emulation and rewarding activities within the banking sector in accordance with the law.

<i>Communication Department</i>	Advises and assists the Governor in managing and organizing communication activities of the banking sector related to the state management functions of the SBV; perform the responsibility of the governing body for press agencies under the SBV in accordance with the law.
<i>SBV Office</i>	Advises and assists the Governor in directing and managing banking operations, parliamentary affairs, protecting state secrets at the SBV, implementing administrative reforms of the SBV, and managing documentation and archives at the SBV.
<i>Banking Information Technology Department</i>	Advises and assists the Governor in performing state management tasks in the field of information technology across the entire banking sector and in deploying and applying information technology within the SBV.
<i>Issue and Vault Department</i>	Advises and assists the Governor in performing state management and central bank functions in the field of issuance and treasury in accordance with the law.
<i>Foreign Exchange Reserve Management Department</i>	Advises and assists the Governor in managing the state foreign exchange reserves in accordance with the law
<i>Administration Department</i>	Assists the Governor in managing public assets (excluding those transferred to income-generating administrations) assigned by the Governor and administrative and logistic activities in Ha Noi and Ho Chi Minh city including: managing assets, finance, technical infrastructure, ensuring order and safety within the organization, and taking care of the welfare and health of officials, civil servants, and employees.
<i>Central Banking Department</i>	Advises and assists the Governor in performing central banking operations.
<i>Banking Supervision Agency</i>	This unit, equivalent to a General Department and directly under the SBV, advises and assists the Governor in state management of credit institutions, foreign bank branches, and state management of banking inspection and supervision. It handles complaints, denunciations, anti-corruption efforts, anti-money laundering, deposit insurance, conducts administrative and specialized inspections, and supervises banking activities within the SBV's state management scope. It also implements anti-money laundering and anti-terrorism financing measures as per the law and the Governor's assignment.
<i>Municipal and provincial branches</i>	Advises and assists the Governor in state management of currency, banking activities, and foreign exchange within their regions, and carry out some central banking operations as authorized by the Governor.

ADMINISTRATIVE UNITS AND UNITS ESTABLISHED BY THE GOVERNOR

<i>Banking Strategy Institute</i>	Conducts research and develops strategies, plans, and development schemes for the banking sector to serve the SBV's state management; organizes research, implements, and manages the execution of scientific and technological tasks for the banking sector according to legal regulations.
<i>Viet Nam's National Credit Information Center</i>	As a public service unit under the SBV, this center is responsible for collecting, processing, analyzing, and storing credit information, registering credit data, and credit scoring and ranking of legal entities and individuals within Vietnam; provides credit information services to prevent credit risks and serves the SBV's state management needs in accordance with the law.
<i>Banking Times</i>	A speaker and social forum of the banking sector. It disseminates the Party's orientation and guidelines, the State's legislation and policies, and banking operations in accordance with the SBV's rules and applicable laws and regulations.
<i>Banking Review</i>	This is the official media outlet and forum for banking operations, science, and technology. It functions to disseminate and promote the Party's policies, the State's laws, banking activities, and the achievements of science and technology in the banking sector and related fields, as per SBV and legal regulations.
<i>Banking Academy</i>	It has the function of training and fostering human resources at the college, university, and postgraduate levels; conducting scientific research in the fields of economics, finance, banking, and other disciplines as approved by competent authorities.
<i>Ho Chi Minh City Banking University</i>	It has the function of training and fostering human resources in the fields of economics, finance, and banking at the undergraduate and postgraduate levels; conducting scientific research and providing consulting services in economics, finance, banking, and other fields as approved by competent authorities.

Part I - World and Viet Nam's economy

1. World economy

In 2023, the global context faced numerous challenges with geopolitical tension, escalating and prolonged conflicts between countries, and risks to food security due to the impacts of climate change and extreme weather. Global economic growth slowed, with production shrinking across most regions and international trade activities weakening. However, the unexpected positive performance of the service sector helped maintain the growth momentum of many economies. Commodity prices declined but remained highly volatile². Inflation in many countries decreased slowly, prompting numerous central banks to maintain tight monetary policies, prioritizing inflation control. Financial and banking risks increased as several banks in the U.S. and Europe faced the risk of bankruptcy, forcing governments to step in with bailouts or to shut them down. Many key currencies continued to depreciate against the U.S. dollar³.

1.1. World economic growth

According to the IMF⁴, global economic growth in 2023 was 3.3% (2022: 3.5%); global inflation slowed from 8.7% in 2022 to 6.8% in 2023.

The U.S. economy grew by 2.9%, higher than the 2.5% growth in 2022 and exceeding market expectations, but still a low growth rate compared to historical data. The labor market remained positive, with an unemployment rate of 3.6%, lower than the natural rate of unemployment and the lowest since the beginning of the pandemic, which supported consumption in the context of high inflation and offset the decline in manufacturing activity. The budget deficit at the end of the fiscal year increased to 7.1% of GDP (2022: 3.9% of GDP). Public debt rose from 118.6% of GDP in 2022 to 118.7% of GDP in 2023. U.S. inflation decreased from 8.0% in 2022 to 4.1% in 2023 but remained far from the 2% target.

“

The global economy in 2023 experienced a slow recovery, with inflation remaining at high levels and monetary conditions tightening.

² On average, in 2023 compared to 2022, WTI oil prices decreased by 18.3%; FAO food prices decreased by 13.78%.

³ The Japanese Yen decreased by 7.9%, and the Malaysian Ringgit decreased by 4.3%.

⁴ IMF's World Economy Outlook updated in October 2024.

Economic growth in the Eurozone slowed to 0.4% (2022: 3.3%) due to declining consumer demand and investment in the context of persistently high inflation. Among the major economies, Spain saw the highest growth at 2.7% (2022: 6.2%); Italy grew by 0.7% (2022: 4.7%); France by 1.1% (2022: 2.6%); and Germany contracted by 0.3% (2022: 1.4%). Public debt across the region fell from 89.9% of GDP in 2022 to 87.8% of GDP in 2023. Inflation across the region slowed but remained high at 5.4% (2022: 8.4%). The labor market in the Eurozone improved, with the unemployment rate falling to 6.6% (2022: 6.8%) - the lowest in decades.

Japan's economy grew by 1.7% (2022: 1.2%). Public debt stood at 249.7% of GDP (2022: 256.3% of GDP). The unemployment rate was around 2.6% (2022: 2.6%). Inflation rose to 3.3% (2022: 2.5%) as the Japanese Yen depreciated sharply (7.9%), increasing import costs and food prices.

Emerging and developing economies saw moderate growth of 4.4% (2022: 4.0%). The BRICS countries showed divergent growth rates compared to 2022, with India leading at 8.2%, driven by domestic consumption and government spending. China grew by 5.2%, impacted by difficulties in the real estate market and weak consumption. Russia, Brazil, and South Africa grew by 3.6%, 2.9%, and 0.7%, respectively. The ASEAN-5⁵ economies grew by 4.0% (2022: 5.4%), with all economies growing slower than in 2022 due to weak external demand (Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam grew by 5%, 3.6%, 5.5%, 1.9%, and 5.05%, respectively). Inflation in emerging and developing economies slowed gradually from 9.6% in 2022 to 8.1% in 2023, while inflation among ASEAN-5 countries was 3.5% (2022: 4.8%).

Global trade weakened, falling 3% year-on-year after achieving over 5% growth last year. Goods trade decreased by 5%, while services trade grew by 8%⁶, reflecting declining global demand in the context of high commodity prices and low economic growth.

⁵ Including: Indonesia, Malaysia, Philippines, Thailand and Viet Nam

⁶ According to the Global Trade Update by UNCTAD, March 2024



1.2. Monetary policy management in some countries

In the context of persistently high inflation, with a priority on controlling inflation, monetary tightening remained the dominant trend in 2023, although the frequency and intensity eased compared to 2022. Throughout the year, over 40 central banks implemented more than 161 interest rate hikes and 84 rate cuts. The U.S. dollar reached its highest interest rate in over two decades, leading to a significant appreciation of the USD globally and a shift of capital away from emerging markets. In response to this trend, in addition to sharp interest rate hikes, central banks in several countries continued to sell foreign exchange to protect the value of their domestic currencies, stabilize foreign exchange markets, and contribute to macroeconomic stability.

In advanced economies, the trend of monetary tightening continued to address high inflation, pushing policy interest rates to historically high levels. The Federal Reserve (Fed) raised interest rates 4 more times, increasing the benchmark rate from 4.25-4.5% p.a. to 5.25-5.5% p.a. The European Central Bank (ECB) raised rates 6 times, from 2.5% p.a. to 4.5% p.a. The Bank of England (BOE) also raised rates 5 times, from 3.5% p.a. to 5.25% p.a. Other developed economies followed the monetary tightening trend, including Australia, Canada, and New Zealand. Among developed countries, Japan remained one of the few to persist with an accommodative monetary policy to promote growth. Accordingly, the Bank of Japan maintained its base interest rate at -0.1%, ended its yield curve control policy, and intervened in the foreign exchange market to stabilize the forex market as the yen depreciated sharply against the U.S. dollar.

In emerging and developing economies, the depreciation pressure on domestic currencies against the USD added inflationary pressures, while capital outflows posed risks of macroeconomic and financial instability. This led central banks to raise interest rates and intervene in the foreign exchange market to limit the depreciation of their currencies against the USD and control inflation. In ASEAN, Thailand raised the repo rate 5 times from 1.25% to 2.5%; the Philippines raised rates 3 times from 5.5% to 6.5%; Indonesia raised rates twice from 5.5% to 6%; and Malaysia raised rates once from 2.75% to 3%. In contrast, in China, negative inflation growth over several months, reflecting

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Monetary tightening continued in developed economies to address persistent inflation, while developing economies raised interest rates combined with foreign exchange interventions to protect the value of their currencies amid strong volatility pressures.

weak demand, prompted the People's Bank of China to maintain an accommodative monetary policy to support economic growth. This included two consecutive interest rate cuts and enhanced liquidity injections into the banking system through two reductions in the reserve requirement ratio and the medium-term lending facility (MLF).

2. Viet Nam's economy

The domestic economy faced difficulties and challenges: a sharp decline in global demand, shrinking markets, struggling businesses, while domestic inflation approached the 5% threshold early in the year, and internal difficulties from 2022 continued to persist. In response to this situation, the National Assembly and the Government issued Resolution No. 68/2022/QH15 dated November 10, 2022, of the National Assembly on the socio-economic development plan for 2023, and Resolution No. 01/NQ-CP dated January 06, 2023, of the Government on the main tasks and solutions for implementing the socio-economic development plan, the state budget estimate, and improving the business environment to enhance national competitiveness in 2023. Together with the unified leadership of the Party, the decisive direction of the National Assembly, the Government, the Prime Minister, and the flexible management of ministries and sectors, the focus remained on maintaining macroeconomic stability, controlling inflation, promoting growth, and ensuring the major balances of the economy. Our economy continued its recovery trend, with macroeconomic stability, inflation under control, major balances maintained, and many important achievements in various fields meeting the set goals, making the country a bright spot in the region and globally.

2.1. Economic growth

By economic sector, Agriculture-forestry-fisheries and Services maintained steady growth, while Industry - Construction experienced low growth.

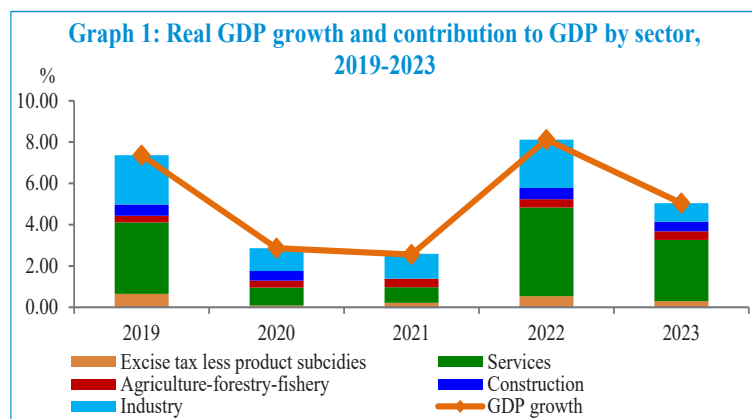
“

GDP is estimated to increase by 5.05% compared to the previous year, with positive contributions from the agriculture,

Agriculture-forestry-fishery increased by 3.83%-the highest since 2019-continuing to serve as a solid pillar of the economy. The agriculture sector saw a strong recovery, growing by 3.88% (2022: 2.98%) due to a sharp increase in the export of some agricultural products, stable livestock development, the application of high-tech models in whiteleg shrimp farming, crop structure

shifts, and favorable weather conditions. Meanwhile, the forestry sector only grew by 3.74% (2022: 6.36%), and the fisheries sector grew by 3.71% (2022: 4.6%).

Industry grew by only 3.02%-the lowest growth rate in the 2011-2023⁷ period-due to facing numerous difficulties and challenges amidst declining global demand. Specifically, the manufacturing and processing industry grew by only 3.62%, the lowest rate in the 2011-2023 period⁸, while the mining sector contracted by 3.17% (2022: growth of 5.45%).



Source: the GSO, calculations by the SBV

Construction grew by 7.06%, lower than the 9.32% growth in 2022. Corresponding to the growth in the construction sector, total social investment capital increased by only 6.20% (2022: 11.20%). Although difficulties in the real estate market and corporate bonds eased compared to 2022, persistent issues remain unresolved, affecting investment activities and the development of projects.

Services grew by 6.82%, continuing its recovery after a strong 10.11% growth in 2022⁹. Several major market service sectors, which contribute significantly to the overall added value of the economy, include:

⁷ The growth rate of value added in industry sector in the years 2011-2023 compared to the previous year, respectively: 9.13%; 7.92%; 4.99%; 6.1%; 8.87%; 7.36%; 8.19%; 8.99%; 8.14%; 3.77%; 4.06%; 7.79%; 3.02%.

⁸ The growth rate of value added in the manufacturing and processing sector in the years 2011-2023 compared to the previous year, respectively: 12.59%; 8.38%; 6.5%; 6.5%; 9.19%; 11.14%; 12.13%; 11.48%; 9.59%; 4.99%; 5.37%; 8.19%; 3.62%.

⁹ The growth rate of value added in the service sector in the years 2011-2023 compared to the previous year, respectively: 7.65%; 7.03%; 6.82%; 7.31%; 7.05%; 7.46%; 7.12%; 7.46%; 8.08%; 2.01%; 1.75%; 10.11%; 6.82%.

forestry, and fisheries sectors, and a continued recovery trend in the services sector. Meanwhile, the industrial and construction sectors faced unfavorable conditions due to weak global demand and ongoing difficulties in the domestic real estate market.

Wholesale and retail trade increased by 8.82% year-on-year, contributing 0.86 percentage points; transportation and warehousing grew by 9.18%, contributing 0.55 percentage points; financial, banking, and insurance services increased by 6.24%, contributing 0.37 percentage points; and accommodation and food services grew by 12.24%, contributing 0.31 percentage points.

Consumption and investment both slowed down, while net exports made a positive contribution to economic growth despite both exports and imports declining.

Final consumption increased by 3.28%, only slightly higher than the 0.5% and 2.51% growth rates during the pandemic years of 2020-2021. State consumption grew by 3.58% (2022: 3.62%), while private sector consumption slowed significantly to 3.23% (2022: 7.68%).

Total asset accumulation increased by 4.09%, lower than the 5.4% growth of the previous year. In 2023, under the decisive direction of the Government and the Prime Minister, and the efforts of ministries, sectors, and localities, public sector investment continued to grow well at 14.6%, matching the growth of 2022. However, the non-state sector and foreign-invested sector slowed down significantly, with growth rates of 2.7% and 5.4%, respectively (compared to 8.9% and 13.9% in the same period of 2022).

Net exports made a positive contribution (1.52 percentage points) to economic growth as both exports and imports declined, but imports fell more sharply than exports. Specifically, exports of goods and services decreased by 2.43% (2022: 4.02%) due to weak external demand, while imports of goods and services decreased by 3.94% (2022: increased by 1.23%).

2.2. Labor, income and productivity

According to the GSO, in 2023 the labor force aged 15 and older totaled 52.4 million people, an increase of 666.5 thousand people compared to the previous year, including: 27.90 million male workers, accounting for 53.29%, and 24.46 million female workers, accounting for 46.71%. The unemployment rate in the working-age population in 2023 was 2.28%, a decrease of 0.06 percentage points compared to the previous year, with the urban unemployment rate at 2.73% and the rural unemployment rate at 2.00%. The youth



Labor and employment conditions slightly improved as the economy continued to recover after

unemployment rate (ages 15-24) in 2023 was 7.63%, down 0.15 percentage points from the previous year. Of this, the youth unemployment rate in urban areas was 9.91%, up 0.09 percentage points, while in rural areas, it was 6.46%, down 0.25 percentage points. The underemployment rate in the working-age population was 2.01%, down 0.20 percentage points compared to the previous year; in urban areas, it was 1.61%, down 0.10 percentage points, while in rural areas, it was 2.26%, down 0.26 percentage points.

Labor productivity across the entire economy at current prices was estimated at VND 199.3 million per worker (equivalent to USD 8,380 per worker, an increase of USD 274 compared to 2022). In real terms, labor productivity increased by 3.65% due to improvements in worker skills (the rate of trained workers with degrees or certificates in 2023 was estimated at 27%, 0.6 percentage points higher than in 2022).

GDP per capita at current prices was estimated at VND 101.9 million per person, equivalent to USD 4,284.5, an increase of USD 160 compared to 2022. Overall, in 2023, the average income of workers was VND 7.1 million per month, up 6.9%, or an increase of VND 459 thousand VND compared to the previous year. Specifically, the average income of male workers was VND 8.1 million per month, and female workers earned VND 6.0 million per month; the average income of workers in urban areas was VND 8.7 million per month, while in rural areas, it was VND 6.2 million per month. After two years of no base salary increases (2020-2021), the base salary for civil servants, public employees, and armed forces was raised from VND 1.49 million per month to VND 1.8 million per month starting from July 1, 2023, under Decree No. 24/2023/ND-CP dated May 14, 2023. The regional minimum wage continued to be maintained under Decree No. 38/2022/ND-CP dated June 12, 2022, which stipulates the minimum wage for employees working under labor contracts. Accordingly, the wages of employees are classified into 04 regions, corresponding to VND 4.68 million per month; VND 4.16 million per month; VND 3.64 million per month; and VND 3.25 million per month.

*the pandemic.
Labor productivity
and income
increased, while
unemployment and
underemployment
rates declined.*

2.3. Inflation



Inflation showed a downward trend throughout the months of the year, with the average annual rate being 3.25% compared to the same period in 2022, aligning with the target set by the National Assembly. Core inflation averaged 4.16%, higher than overall inflation, indicating that the inflation decrease was mainly due to falling fuel prices following global trends

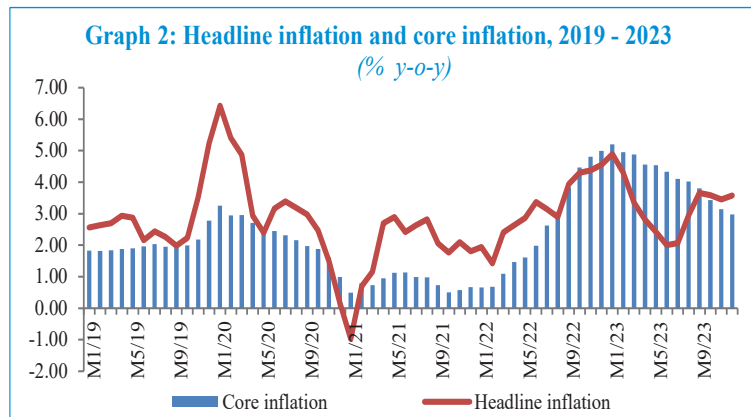
At the beginning of 2023, year-on-year CPI inflation rose to nearly 5%, with core inflation reaching 5.2%-the highest since core inflation data has been reported. However, inflation gradually decreased over the months, from nearly 5% in January 2023 to 3.58% in December 2023 due to several factors: **(1)** A sharp drop in global oil prices (on average, domestic fuel prices decreased by 11.02% compared to 2022; kerosene prices fell by 10.02%; and gas prices decreased by 6.94%); **(2)** While many countries faced food security concerns and rising food prices¹⁰, domestic food supply was abundant, helping to control price increases in this category (food and catering services grew by only 3.44% on average, with food prices rising by just 2.33%), contributing to overall inflation stability; **(3)** Weak demand, as foreign demand dropped sharply and domestic consumption and investment only grew slightly, reducing demand-side inflationary pressures; **(4)** Stable inflation expectations, thanks to Viet Nam's success in controlling inflation over the years. These factors helped mitigate the impact of price adjustments for state-managed goods and services, rising input costs, and higher housing rents (on average in 2023, the education group prices increased by 7.44%; household electricity rose by 4.86%; medicine and healthcare services increased by 1.23%; and housing and construction materials grew by 6.58%). Overall, average CPI inflation for 2023 was 3.25%, in line with the target.

Core inflation also showed a downward trend, but the rate of decline was significantly slower than that of general CPI inflation, mainly due to the sustained high increases in certain items that account for a large share of core inflation (such as dining out and rental housing)¹¹. The average core inflation rate for 2023 was 4.16% - higher than the headline inflation rate, indicating that inflationary pressures cannot yet be dismissed. The continued control of domestic inflation, despite persistently high global inflation, has strengthened Viet Nam's macroeconomic foundation, maintained investor

¹⁰ Europe increased by 7.5%, France increased by 7.8%, Germany increased by 6.36%, Japan increased by 8.6%, South Korea increased by 6.5%, and India increased by 6.6%.

¹¹ Core inflation y-o-y decreased from 5.21% in January 2023 to 2.98% in December 2023. On average, in 2023 compared to 2022, rental housing prices increased by 9.83% (2022: 0.72%); prices for dining out increased by 4.79% (2022: 4.94%).

and business community confidence in the business environment, and contributed to enhancing Viet Nam's position on the international stage.



Source: the GSO

2.4. State budget revenue and expenditure

*State budget revenue*¹² reached 100% of the estimate, equivalent to approximately 15.9% of GDP (2022: 128.6% of the estimate, 19.1% of GDP). Apart from crude oil revenue, which significantly exceeded the estimate (reaching 147.9% - 2022: 276.7%), most state budget revenue sources either matched or fell below the estimate, particularly revenues from export and import activities, which sharply declined to only 81.6% of the estimate (2022: 143.4% of the estimate). Domestic revenue accounted for the largest share of total state budget revenue (about 80%) and reached 101.8% of the estimate (2022: 122.7% of the estimate).

State budget expenditure was lower than the estimate approved by the National Assembly, reaching only 98.1% (2022: 118.8% of the estimate). Of this, development investment expenditure reached 101.8% of the estimate (2022: 114.5% of the estimate), and recurrent expenditure reached 99.7% of the estimate (2022: 99.2% of the estimate).

State budget deficit was lower than the estimated value both in absolute and relative terms, amounting to VND 415,172 billion, equivalent to 4% of GDP (estimate: 4.42% of GDP; 2022: deficit of 3.6% of GDP).

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State budget revenue met the target, while state budget expenditure was lower than the forecast, resulting in a budget deficit lower than the projected figure

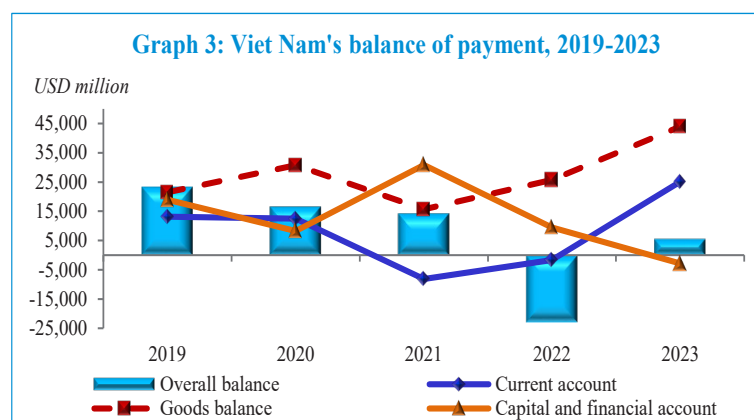
¹² State budget data for 2023 and 2022 are estimated figures published by the MOF on its official website. Based on these state budget data, the SBV calculated the ratios of state budget revenue to GDP and state budget expenditure to GDP using the adjusted GDP figures published by the GSO. The ratio of the state budget deficit to GDP was published by the MOF.

2.5. Balance of payment



The overall balance of payment in 2023 posted a surplus due to the current account shifting to a significant surplus, offsetting the deficit in the capital and financial accounts.

Overall balance recorded a surplus of USD 5.61 billion, with the record surplus in the current account offsetting the deficit in the capital account.



Source: the SBV

Current account surplus reached USD 25.1 billion (equivalent to 5.7% of GDP) - the highest level in many years (2022: surplus of USD 1.04 billion, equivalent to 0.34% of GDP) thanks to a high trade surplus, a good recovery in service exports, and abundant remittances. *The goods balance*¹³ surplus was USD 43.96 billion, 1.5 times higher than the surplus of USD 29.4 billion in 2022, and a record high in the context of an uncertain global economic recovery and declining trade in the early months of the year. *The trade balance*¹⁴ posted a trade surplus of USD 28.3 billion (equivalent to 8% of export turnover), 2.3 times higher than the USD 12.14 billion surplus in 2022 (equivalent to 3.3% of export turnover) and the highest on record¹⁵; both exports and imports declined compared to 2022, but imports decreased more sharply than exports (imports down 9.2%, exports down 4.2%). *The services balance* recorded a deficit of USD 9.46 billion in 2023, a significant improvement compared to the deficit of USD 13.9 billion in 2022, as service export revenues recovered (service exports reached USD 19.6 billion, up 44.9% from USD 13.5 billion in 2022; service imports reached USD 29.06 billion, up 5.9% from

¹³ The goods balance is the difference between exports of goods at FOB prices and imports of goods at FOB prices.

¹⁴ The trade balance is the difference between exports of goods at FOB prices and imports of goods at CIF prices.

¹⁵ Trade balance in 2018: trade surplus of USD 6.45 billion, in 2019: trade surplus of USD 10.57 billion, in 2020: trade surplus of USD 19.94 billion, in 2021: trade surplus of USD 3.32 billion, in 2022: trade surplus of USD 12.14 billion.

2022). *The income balance* posted a deficit of USD 22.46 billion, up 13.87% from the deficit of USD 19.7 billion in 2022, mainly due to increased payments to foreign direct investment (FDI) enterprises and rising interest payments on foreign loans. *Current transfers* posted a surplus of USD 13.06 billion, 2.3 times higher than in 2022, thanks to a high net surplus from private sector transfers.

The capital and financial account posted a deficit of USD 2.84 billion, as high international interest rates reduced the demand for foreign borrowing and encouraged early debt repayment. Simultaneously, there was a trend of international capital withdrawal from emerging and developing markets. *Net FDI* reached USD 20.05 billion, a significant increase compared to the surplus of USD 15.23 billion in 2022 - the only component supporting the capital and financial account, reflecting foreign investors' continued confidence in Viet Nam's long-term growth prospects. *Net foreign indirect investment* posted a deficit of USD 1.2 billion, reversing from a surplus of USD 1.5 billion in 2022. *Foreign borrowing* posted a deficit of USD 3.2 billion, reversing from a surplus of USD 6.07 billion in 2022, with both the government and the private sector making net repayments on foreign loans across all maturities. Net short-term borrowing posted a deficit of USD 1.65 billion, reversing from a surplus of USD 3.9 billion in 2022. Net medium- and long-term foreign borrowing posted a deficit of USD 1.56 billion, reversing from a surplus of USD 2.16 billion in 2022. *Cash and deposits* posted a deficit of USD 18.3 billion, a sharp increase from the large surplus of USD 13.4 billion in 2022.

2.6. Financial and monetary developments

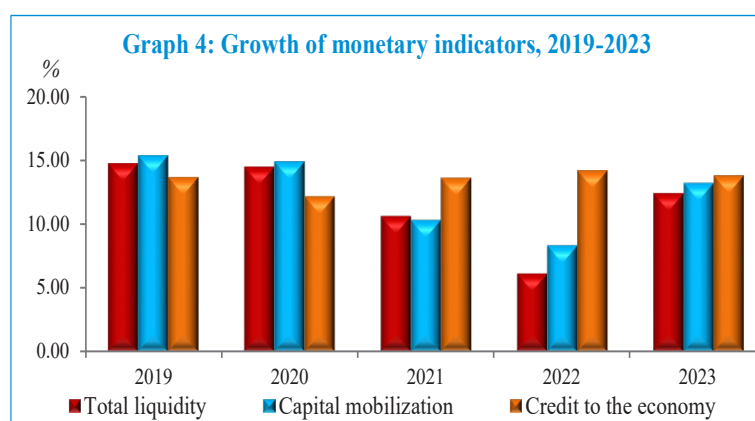
Monetary developments

M2 increased by 12.46% compared to the end of 2022, significantly surpassing the growth of 6.15% in 2022. Net foreign assets (NFA) increased by 17.89% (2022: -13.74%), while net domestic assets (NDA) grew by 11.37% (2022: 11.26%). Factors supporting the growth of M2 include: (1) The SBV purchased foreign currency from CIs to supplement the SBV's foreign reserves; (2) The disbursement of public investment improved, leading to an increase in Treasury deposits being released into the economy through the banking system compared to the previous year (reflected in the increase in net lending to the government); (3) Credit grew by 13.78% compared to the end of the previous year.

“

The total payment instruments improved as the SBV (SBV) purchased foreign currency to supplement the SBV's foreign reserves. The disbursement of public investment also picked up, resulting in more

Treasury funds being released into the economy through the banking system compared to 2022. Higher credit growth than in 2022 contributed to supporting the recovery of economic growth

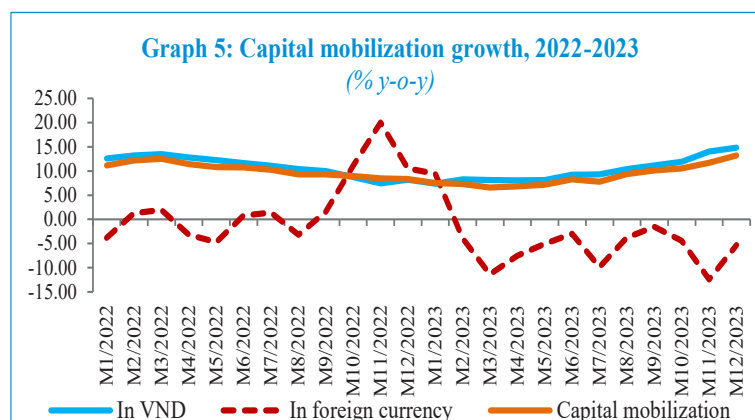


Source: the SBV

Capital mobilization by the banking system recorded a strong upward trend compared to 2022, while foreign currency mobilization decreased.

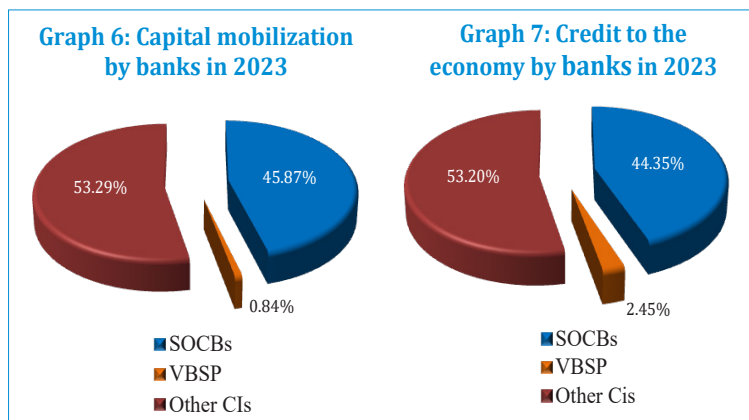
Capital mobilization for the entire banking system increased by 13.2% compared to the end of 2022 (2022: 8.35%); VND mobilization rose by 14.81% (2022: 8.16%), while foreign currency mobilization decreased by 5.29% (2022: 10.52%). The indicator reflecting the level of dollarization in terms of deposits (capital mobilization/M2 ratio) decreased from 7.27% in 2022 to 6.12% in 2023.

The share of capital mobilization by SOCBs and other CI¹⁶ showed very little change compared to 2022, while the share of the VBSP increased: capital mobilization by SOCBs (excluding VBSP) accounted for 45.87% of the total system mobilization (2022: 45.85%); other CIs accounted for 53.29% (2021: 53.4%); and VBSP accounted for 0.84% of the total system mobilization (2022: 0.75%).



Source: the SBV

¹⁶ Including joint-stock commercial banks, 100% foreign-owned banks, joint-venture banks, foreign bank branches, non-bank credit institutions (finance companies, leasing companies), and people's credit funds.

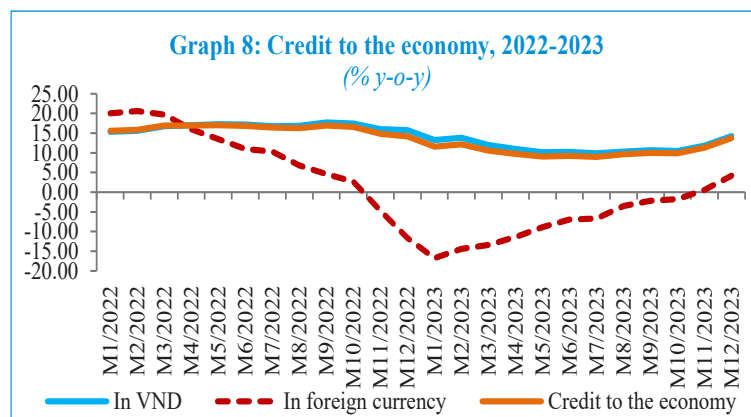


Source: the SBV

Credit growth was appropriate, meeting the capital needs for economic and social recovery and development.

Credit to the economy¹⁷ increased by 13.78% compared to the end of 2022 (2022: 14.2%); of which, VND credit increased by 14.21% (2022: 15.72%), and foreign currency credit increased by 4.21% (2022: -11.61%). Credit to the economy continued to be focused by CIs on business production sectors and key economic growth drivers, contributing to inflation control and supporting the recovery of economic growth.

The structure of credit to the economy showed a trend of increase for the group of other CIs and the VBSP, while decreasing for the group SOCBs: The credit balance of SOCBs (excluding VBSP) accounted for 44.35% of the total system's credit balance (2022: 44.82%); VBSP accounted for 2.45% (2022: 2.38%); and other CI accounted for 53.2% (2022: 52.8%).



Source: the SBV

¹⁷ Outstanding credit does not include the balance of credit granted under entrusted agreements and the balance of special bonds issued by VAMC.

Interest rate

VND Interest rate

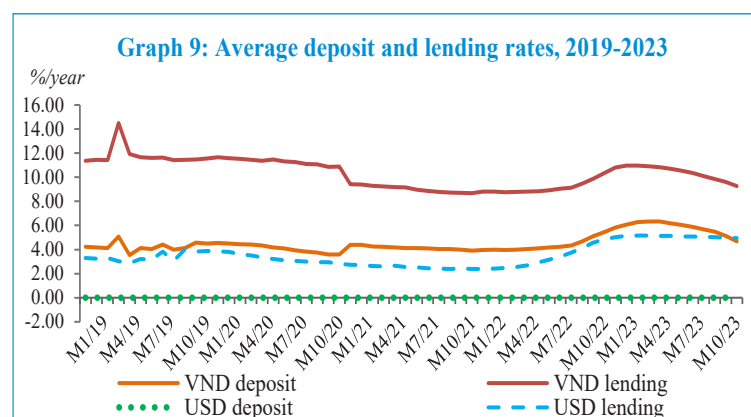


Market interest rates showed a downward trend, especially lending rates.

The deposit and lending interest rates of CIs showed a downward trend. By the end of 2023, the average VND deposit interest rate was: 0.2% p.a. for demand deposits and deposits with a term of less than 1 month; 2.9-3.7% p.a. for deposits with terms from 1 month to less than 6 months; 6.0-6.6% p.a. for deposits with terms from 6 months to 12 months; 7.2-8.1% p.a. for deposits with terms from over 12 months to 24 months; and 7.4-7.5% p.a. for deposits with terms over 24 months. The average lending interest rate for new and existing loans with outstanding balances was 8.0-10.1% p.a. The average short-term lending interest rate in VND for certain sectors and industries was about 3.7% p.a., lower than the maximum short-term lending interest rate regulated by the SBV (4.0% p.a.).

USD interest rate

USD interest rates were in line with the Government's policy and the SBV's orientation to combat dollarization in the economy and limit foreign currency hoarding. By the end of 2023, the deposit interest rate in USD at CIs was 0% p.a. for deposits from individuals and organizations, as regulated by the SBV. The average USD lending interest rate at domestic commercial banks for new and existing loans with outstanding balances was: 4.3-5.3% p.a. for short-term loans, and 6.3-7.4% p.a. for medium- and long-term loans.



Source: the SBV

Interbank money market

The scale of the interbank market continued to be expanded, especially lending and deposit activities

Total interbank lending and deposit turnover in VND reached VND 60,404 trillion, in USD converted to VND was VND 15,420 trillion, an increase of 4% and 23% respectively compared to 2022. Compared to lending and deposit activities, the scale of repurchase agreements (repos) of valuable papers between CIs was smaller, with a turnover of VND 407 trillion in 2023.

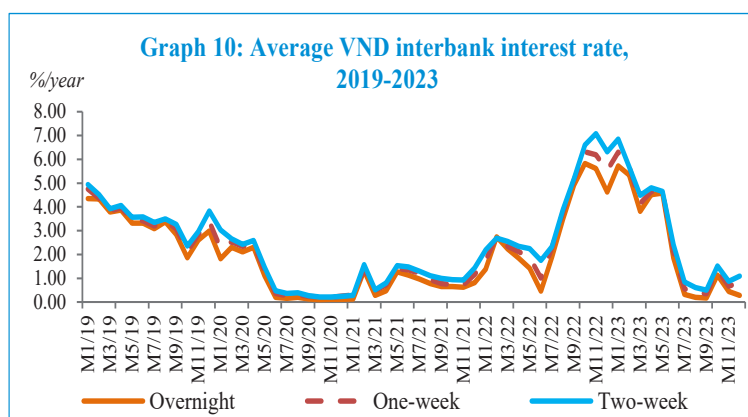
Regarding term structure, transactions in the interbank market in 2023 continued to be concentrated in maturities of less than 1 month, particularly focusing on overnight and 1-week maturities. The total turnover of overnight transactions in VND for the year reached VND 51,195 trillion, and in USD (converted to VND) it reached VND 11,621 trillion, accounting for 85% and 75% of total transaction turnover for the year, respectively.

Interbank interest rates dropped quickly amid abundant system liquidity

During the year, the average transaction interest rates in the interbank market showed a relatively sharp decline. In the second half of 2023, interbank rates remained low as the SBV adjusted key interest rates down four times and maintained abundant liquidity, allowing CIs to lower lending rates. On average for the year, the overnight, one-week, and two-week interest rates were 2.36%, 2.64%, and 2.86% p.a., respectively.

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Interbank interest rates decreased rapidly in conditions of abundant market liquidity, and the size of the interbank market continued to expand.



Source: the SBV

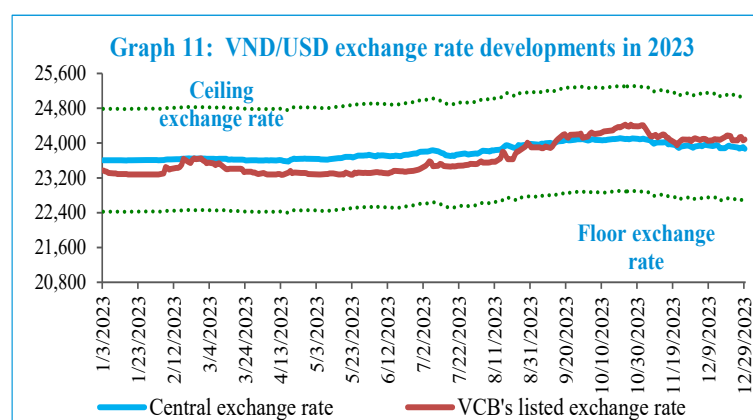
FX market developments



The USD/VND exchange rate in the market moved in a relatively consistent manner, reflecting the general trends of regional currencies. The foreign exchange market operated smoothly, and all legitimate foreign currency demands were fully and promptly met, contributing to macroeconomic stability and inflation control.

In the first five months of 2023, the VND/USD exchange rate remained relatively stable and even showed a downward trend at certain times, as domestic foreign currency supply and demand improved compared to 2022, and international market pressures eased with the expectation that the Fed would begin cutting interest rates by the end of 2023. As a result, the SBV was able to purchase foreign currency to supplement its foreign reserves.

From mid-June to November 2023, international market pressures increased, particularly as central banks in other countries raised their policy rates and signaled that they would maintain high interest rates for a longer period to control inflation. This, combined with the divergence in monetary policy cycles between Viet Nam and major economies, increased pressure on the domestic foreign exchange market. The USD/VND exchange rate came under certain pressure, rising from 23,491 VND/USD to a peak of approximately 24,606 VND/USD (up 4.37% compared to the end of 2022). From November to the end of 2023, thanks to the SBV's coordinated and flexible monetary policy measures, along with reduced pressure on the market, the foreign exchange market gradually stabilized, with the interbank market exchange rate trending downward to around 24,256 VND/USD (up 2.89% compared to the end of 2022).



Source: the SBV

Gold price



Domestic gold prices increased

International gold prices fluctuated significantly, with an overall upward trend, rising from 1,831 USD/oz (on January 3, 2023) to a record high of 2,087 USD/oz by the end of the year. Accordingly, domestic gold bar prices followed the upward trend of international gold prices.

From late February to July 2023, international gold prices experienced sharp fluctuations, reaching as high as 2,049 USD/oz (on May 05, 2023), but domestic gold bar prices remained stable around VND 66-67 million per tael, with no unusual volatility in the domestic gold market. From August to early October 2023, international gold prices declined after the Fed signaled that it would maintain high interest rates for an extended period to control inflation. Domestic gold bar prices increased slightly, widening the gap between SJC gold bar prices and international gold prices, reaching over VND 14 million per tael at times. From early October 2023 to the end of the year, domestic gold bar prices rose along with international gold prices but at a faster pace, reaching a record high of VND 80 million per tael, causing the gap between SJC gold bar prices and international gold prices to widen to VND 18 million per tael (on December 26, 2023). However, shortly afterward, SJC gold bar prices adjusted downward to VND 73.6 million per tael by the end of December 29, 2023, narrowing the gap to VND 11 million per tael.

and fluctuated sharply in line with international gold prices, reaching the highest levels in many years.

Securities market

The stock market followed a recovery trend after a sharp decline in 2022 but experienced significant volatility amid domestic and international economic challenges and uncertainties. The VN-Index rose quickly from late May 2023 and reached its highest level since the beginning of the year at 1,245.44 points on September 12, 2023, up 24% compared to the end of 2022, before nearly returning to its early-year level. It then gradually recovered from late October 2023, ending the year at 1,129.93 points, up 12.2% compared to the end of 2022.

“

The stock market experienced a year full of volatility, with ups and downs.

By the end of 2023, the market capitalization of the stock market reached VND 5,937 trillion, an increase of 13.6% compared to the end of 2022, equivalent to 58.1% of estimated 2023 GDP (2022: 55% of GDP).¹⁸ In terms of liquidity, according to the SSC, the average transaction value across the market (including stocks and bonds) was high during the period from May to September 2023 (with the highest average in September at VND 34.57 trillion per session across all exchanges, of which HOSE accounted for VND 23.43 trillion per session), but it began to slow towards the end of 2023, reflecting investor sentiment that, while improved, remained unstable. For

¹⁸ 2022 Annual report and 2023 Annual report of the SSC.

the whole year of 2023, the average transaction value across the market was VND 24.34 trillion, down 15% compared to 2022 (HOSE: VND 15.14 trillion, HNX: VND 1.64 trillion, Upcom: VND 735 billion, bonds: VND 6.82 trillion)¹⁹. Regarding foreign investor activity, foreign investors recorded net sales of nearly VND 27 trillion in both stocks and bonds throughout 2023 (compared to net purchases of VND 20.27 trillion during the same period in 2022).

2.7. Operations of CIs

As of end-2023, the system of CIs included 04 SOCB with state ownership of over 50%, 03 compulsorily acquired commercial banks, 01 VBSP, 01 Development Bank, 28 joint-stock commercial banks, 02 joint-venture banks, 09 100% foreign owned banks, 50 foreign bank branches, 26 finance and leasing companies, 01 Cooperative Bank, 1,178 PCFs and 04 microfinance institutions.

Table 1: Viet Nam's CI system as of December 31, 2023

No.	Type of CI	2022	2023
1	SOCB	4	4
2	Compulsorily acquired bank	3	3
3	VBSP	1	1
4	Viet Nam Development Bank	1	1
5	Joint-stock commercial bank	28	28
6	Joint-venture bank	2	2
7	100% foreign owned bank	9	9
8	Foreign bank branches	50	50
9	Finance and leasing companies	26	26
10	Cooperative Bank	1	1
11	PCF	1,181	1,178
12	Microfinance institution	4	4

Source: the SBV

CIs continued to strengthen their financial capacity and scale up their operations

In 2023, CIs continued to strengthen their financial capacity and scale up their operations; solutions to NPL resolution were deployed synchronously with measures to control and prevent new NPLs. Governance and risk management capacity of CIs was gradually improved,

¹⁹ Calculation based on the data published on the official website of the SSC.



CIs continued to strengthen and enhance their financial capacity and management capabilities; improve safety ratios, and enhance risk management in accordance with legal regulations and international practices.

approaching international practices and in accordance with the conditions of domestic market. System liquidity remained stable, and CIs strictly complied with regulations on prudential ratios and limits. Hence, business performances of CIs continued to be improved. As of end-2023, total assets of the entire system reached VND 20.07 quadrillions, an increase of 9.8% y-o-y; total chartered capital reached VND 1 quadrillion, an increase of 14.3% y-o-y.

Table 2: Basic indicators

Type of CI	Total assets		Chartered capital		Ratio of short-term deposit to medium and long-term loans (%)	Ratio of outstanding loans to total deposits (%)
	VND Billion	± %	VND Billion	± %		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
SOCBs	8,326,260	8.43	217,882	14.41	22.77	80.85
VBSP	350,586	16.65	23,960	8.00		
Joint-stock commercial banks	8,986,950	12.33	542,566	15.58	39.87	77.90
Joint-ventured, foreign banks	1,865,830	5.37	163,165	11.44		41.79
Finance, leasing companies	302,835	-2.59	45,321	15.72	36.09	
Cooperative Bank	56,993	14.45	3,030	0.00	8.93	57.60
PCF	183,827	11.92	6,983	9.86		
The whole system	20,073,281	9.83	1,002,908	14.36	27.74	76.04

Source: the SBV

Note:

- Data was made based on December 2023 accounting reports and statistical reports of CIs, foreign bank branches (excluding micro-finance institutions);
- SOCB include: Viet Nam Bank for Agriculture and Rural Development, Viet Nam Joint Stock Commercial Bank for Industry and Trade, Joint Stock Commercial Bank for Foreign Trade of Viet Nam, Joint Stock Commercial Bank for Investment and Development of Viet Nam, Viet Nam Construction Joint Stock Commercial Bank, Global Petroleum One-Member Commercial Bank Limited, Ocean One-Member Commercial Bank Limited;
- Data in columns (6), (7) do not include VBSP and PCFs (not subject to report);
- The ratio of short-term deposit to medium-and long-term lending of joint-venture and foreign banks is not valid because they did not use short-term capital for medium and long-term lending.
- The loan-to-deposit ratio as regulated by the safety ratios in the operations of banks and foreign bank branches (Circular No. 22/2019/TT-NHNN).

Table 3: CAR of CIs and foreign bank branches

No.	Type of CI	Equity capital		Minimum capital adequacy ratio (%)
		VND billion	± %	
(1)	(2)	(3)	(4)	(5)
1	Group of banks applying Circular No. 41/2016/TT-NHNN	1,855,071.4	32.04	11.75
1.1	SOCBs	652,282.3	52.43	9.64
1.2	Joint-stock commercial banks	903,212.5	24.25	11.86
1.3	Joint-ventured, foreign banks	299,576.5	19.82	21.47
2	Group of banks applying Circular No. 22/2019/TT-NHNN	10,636.7	-93.32	9.29
2.1	SOCBs			
2.2	Joint-stock commercial banks	7,633.9	-73.27	9.22
2.3	Cooperative Bank	3,002.9	3.55	9.48
3.	Group of non-banks applying Circular No. 36/2014/TT-NHNN	57,229.6	4.47	19.04

Source: the SBV

Note:

- The above data are sourced from Balance Sheet Reports and Statistic Reports of CIs and foreign banks' branches in December 2023 (excluding microfinance institutions);
- SOCBs include: Viet Nam Bank for Agriculture and Rural Development, Viet Nam Joint Stock Commercial Bank for Industry and Trade, Joint Stock Commercial Bank for Foreign Trade of Viet Nam, Joint Stock Commercial Bank for Investment and Development of Viet Nam, Viet Nam Construction Joint Stock Commercial Bank, Global Petroleum Single-Member Limited Commercial Bank, Ocean Single-Member Limited Commercial Bank;
- Regulatory capital and CAR have excluded those banks with negative regulatory capital.

System-wide liquidity remained stable, and CIs (CIs) strictly adhered to regulations on safety limits and ratios.

In 2023, CIs focused on developing restructuring plans linked to handling non-performing loans, addressing existing shortcomings, and improving their financial and management capacity in accordance with legal regulations and international practices. By the end of 2023, the system-wide ROA and ROE were 1.30% and 14.21%, respectively, lower than the 2022 levels of 1.38%

and 15.81%. The CAR²⁰ for banks applying Circular No. 41/2016/TT-NHNN was 11.75%; for banks applying Circular No. 22/2019/TT-NHNN it was 9.29%; and for non-bank CIs applying Circular No. 23/2020/TT-NHNN, it was 19.11%. The average liquidity reserve ratio reached 19.04%; most CIs met the safety ratios and limits as prescribed by law.

Table 4: Key operational indicators of CIs

Unit: %

Type of CI	ROA	ROE
SOCBs	1.15	18.85
VBSP	0.31	2.02
Joint-stock commercial banks	1.44	14.47
Joint-ventured, foreign banks	1.88	11.52
Finance, leasing companies	-0.64	-3.47
Cooperative Bank	0.36	4.81
PCFs	0.84	12.12
The whole system	1.30	14.21

Source: the SBV

Note:

- Data according to the 2023 Financial Report;
- Does not include micro CIs;
- SOCBs include: Viet Nam Bank for Agriculture and Rural Development, Viet Nam Joint Stock Commercial Bank for Industry and Trade, Viet Nam Joint Stock Commercial Bank for Foreign Trade, Viet Nam Joint Stock Commercial Bank for Investment and Development, Viet Nam Construction Joint Stock Commercial Bank, Global Petroleum Single-Member Limited Commercial Bank, Ocean Single-Member Limited Commercial Bank;
- Eliminate CIs with negative equity when calculating ROA and ROE

²⁰ Note: Data sources are based on the December 2023 Statistical Report of Credit Institutions (CIs) and foreign bank branches (excluding microfinance institutions).

- The SOCB group includes: Viet Nam Bank for Agriculture and Rural Development (Agribank), Viet Nam Joint Stock Commercial Bank for Industry and Trade (VietinBank), Joint Stock Commercial Bank for Foreign Trade of Viet Nam (Vietcombank), Joint Stock Commercial Bank for Investment and Development of Viet Nam (BIDV), Global Petroleum Commercial Joint Stock Bank (GPBank), Construction Commercial Bank (CB), and Ocean Single-Member Limited Commercial Bank (OceanBank).
- The capital of the SOCB group and joint-stock commercial banks (JSBs) showed significant fluctuations during the reporting period. The reason for the fluctuation is that Agribank and Bao Viet JSB began applying Circular No. 41/2016/TT-NHNN in January 2023, and Public Bank JSB began applying Circular No. 41/2016/TT-NHNN in July 2023.
- Capital and CAR ratios exclude CIs with negative equity.

Liquidity risk: System-wide liquidity was ensured, and system safety was maintained; CIs (CIs) generally met the legal requirements for liquidity reserves. Total mobilized capital, especially medium- and long-term capital, continued to increase compared to the end of 2022. The liquidity reserve ratio of CIs showed improvement, rising from 16.6% at the end of 2020 to 18.6% at the end of 2023.

Credit risk: The SBV continued to direct CIs to implement comprehensive measures to handle NPLs, control, and prevent the emergence of new NPLs, contributing to improving credit quality. In 2023, the entire CI system handled VND 266.9 trillion in NPLs, of which 51% was resolved through the use of risk provisions by CIs, 34% was repaid by customers, and 5% of NPLs were handled through sales to the Viet Nam Asset Management Company (VAMC). Regarding the handling of NPLs under Resolution No. 42/2017/QH14 of the National Assembly (Resolution 42), from August 15, 2017, to the end of December 2023, the entire CI system resolved VND 443.8 trillion in NPLs.

Part II - Policy management of the SBV

In implementing the directives of the National Assembly and the Government in the Resolutions on the socio-economic development plan for 2023 and the implementation of the Economic Recovery and Development Program²¹, the SBV issued Directive No. 01/CT-NHNN on January 17, 2023, setting the objectives and tasks for the entire banking sector in 2023: *“Implement monetary policy (MP) in a prudent, proactive, flexible, and effective manner, closely coordinating with fiscal policy and other macroeconomic policies to control inflation, with the 2023 targeted average inflation of around 4.5%, contributing to macroeconomic stability and supporting reasonable economic growth. For 2023, credit growth is targeted at around 14-15%, with adjustments based on actual developments and conditions. Control credit growth reasonably to contribute to inflation control and support economic growth, directing credit capital towards production and business sectors; closely monitor credit in risk-prone sectors. Maximize efforts to implement the banking sector’s tasks within the Economic Recovery and Development Program and national target programs.”*

1. Monetary policy management

Proactively manage monetary supply to ensure system liquidity, stabilize the monetary market, and achieve monetary policy goals

In line with the directives of the National Assembly, the Government, and the SBV’s MP objectives, as well as the developments in the monetary market and the available capital of CIs, the SBV continued to proactively and flexibly manage open market operations to support liquidity for the CI system, contributing to monetary market stability. It also coordinated closely with other MP tools to achieve its objectives. Accordingly, the SBV continued daily purchases of valuable papers through open market operations, with appropriate volume and maturities, to signal its readiness to support liquidity for CIs. Based on close monitoring of market developments and liquidity needs, the SBV increased its volume of

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Proactively, flexibly, and synchronously manage monetary policy (MP) tools to control inflation, contribute to maintaining macroeconomic stability, support economic growth recovery, and ensure liquidity and system stability.

²¹ Resolution No. 68/2022/QH15 of the National Assembly dated November 10, 2022; Resolution No. 01/NQ-CP of the Government dated January 6, 2023.

valuable paper purchases to inject capital when necessary. The purchase interest rate was adjusted down four times, from 6.0% to 4.0% p.a., following the SBV's interest rate reduction policy. Additionally, amid unfavorable international and domestic market conditions affecting exchange rate management, the SBV issued treasury bills with appropriate maturities and volumes at certain times to proactively control liquidity and coordinate with other MP tools to achieve its objectives.

Adjusting interest rates to support and alleviate difficulties for the economy

In line with the directives of the National Assembly, the Government, and the Prime Minister to reduce lending rates to ease difficulties for the economy, businesses, and citizens, the SBV continuously reduced key interest rates four times by 0.5-2.0% p.a., despite global interest rates continuing to rise and remain high. Specifically: *(i)* The refinancing rate and discount rate were reduced by 1.5% p.a., and the overnight lending rate in the interbank electronic payment system and shortfall compensation lending rate of the SBV to CIs and foreign bank branches were reduced by 2.0% p.a.; *(ii)* The maximum VND deposit interest rate for terms under 6 months was reduced by 0.5-1.25% p.a., *(iii)* The maximum short-term VND lending rate for CIs to customers in certain sectors was reduced by 1.5% p.a. These reductions in policy interest rates are flexible measures suitable for macroeconomic conditions. As inflationary pressures are easing and the inflation target is expected to be achieved, there are favorable conditions to support economic recovery in line with the National Assembly and Government's policies. At the same time, the SBV continues to encourage CIs to cut costs to lower lending interest rates, helping businesses and citizens recover and develop their production and business activities.

Keeping VND and FX RR ratios unchanged

RR ratio for VND deposits was maintained at 3% for demand deposits and with terms of less than 12 months, 1% for deposits with terms of 12 months and above. As for foreign currency deposits, the RR ratio is maintained at 8% for demand deposits and with terms of less than 12 months, 6% for deposits with terms of 12 months and above and 1% for CIs' oversea deposits.

Continuing to refinance in accordance with the objectives of monetary policy management and the Government's policies

The refinancing tool was managed in line with the Government's policies, the SBV objectives, and the capital needs of CIs. In 2023, the SBV did not receive any refinancing requests from CIs but only collected repayments on refinancing loans issued before 2023, such as repayments of loans of CIs and VBSP for wage payments to employers under Government Resolution No. 68/NQ-CP²² and Prime Minister Decision No. 23/2021/QĐ-TTg²³.

Flexible and appropriate exchange rate management to absorb external shocks while maintaining foreign exchange market stability

In the first half of 2023, amid favorable market conditions and stable market sentiment: **(1)** The SBV managed the exchange rate flexibly and appropriately in line with both domestic and international market conditions; **(2)** The SBV purchased foreign currency to supplement its foreign reserves, thereby increasing VND supply to the economy, facilitating the goal of reducing interest rates to support economic recovery and development; **(3)** To enhance foreign reserve savings and maintain the supply of VND, the SBV continued executing foreign currency spot purchase and forward sales transactions with cancelable options with CIs (upon demand) to extend the maturity of established foreign currency transactions with the SBV. From June 2023, amid international challenges and divergent monetary policy directions, the SBV continued to manage the exchange rate flexibly, aligned with domestic and international market conditions, while coordinating various monetary policy tools to absorb external shocks and stabilize the foreign exchange market at different stages.

²² Resolution No. 68/NQ-CP dated July 1, 2021 (amended and supplemented by Resolution No. 126/NQ-CP dated October 8, 2021) of the Government on a number of policies to support workers and employers facing difficulties due to the Covid-19 pandemic.

²³ Decision No. 23/2021/QĐ-TTg dated July 7, 2021 (amended and supplemented by Decision No. 33/2021/QĐ-TTg dated November 6, 2021) of the Prime Minister stipulating the implementation of several policies to support workers and employers facing difficulties due to the Covid-19 pandemic.

Managing credit solutions to meet the economy's capital needs, contributing to inflation control, supporting economic growth, and continuing to closely monitor credit in risk-prone sectors; creating favorable conditions for businesses and citizens to access bank credit.

Based on the 2023 economic growth and inflation targets set by the National Assembly and Government, the SBV set a credit growth target for 2023 of around 14-15%, with adjustments based on actual developments. Accordingly, at the beginning of the year, the SBV announced credit growth targets for CIs. By July 2023, following the directives of the Government and Prime Minister to ease business difficulties, stabilize the macroeconomy, and promote economic growth, the SBV adjusted the 2023 credit growth target for CIs to around 14%, aiming to provide additional credit to promptly meet the economy's needs. Despite the SBV's aggressive implementation of many measures, overall demand in the economy declined, capital absorption remained weak, and the real estate market faced difficulties, resulting in system-wide credit growth falling short of the early-year target and the level allocated by the SBV to CIs. To continue driving credit growth to meet the capital needs for economic recovery, in line with the directives of the Government and Prime Minister, the SBV flexibly redistributed credit growth targets across the system from CIs that had not fully utilized their targets to those requiring further credit growth, starting from November 29, 2023. Banks with 2023 credit balances reaching 80% of the target credit balance announced by the SBV could autonomously adjust their credit growth targets without submitting formal requests to the SBV, in line with the principles previously announced.

In line with the Government's policy to implement measures to ease difficulties, improve credit access for citizens and businesses, and support economic recovery and growth, the SBV implemented the following comprehensive solutions: (1) Issued Circular No. 02/2023/TT-NHNN on April 23, 2023, and Directive No. 02/CT-NHNN on May 23, 2023, and organized conferences on credit management to provide guidance and ensure consistent implementation across the system; (2) Promoted the implementation of the VND 120 trillion preferential loan program for social housing, worker

housing, and renovation projects under Government Resolution No. 33/NQ-CP dated March 11, 2023; (3) Expanded the Bank-Business Connection Program, organizing 17 conferences and 526 meetings between banks and businesses in 2023 to identify and address the difficulties businesses face in accessing and absorbing bank credit; (4) Continued the vigorous implementation of measures within the Economic Recovery and Development Program, particularly the policy of interest rate support from the state budget for loans to businesses, cooperatives, and business households, with flexible and transparent procedures, while promptly reporting difficulties to the National Assembly and Government and proposing solutions for resolution.

2. FX management

Strengthening the development and improvement of the legal framework for foreign exchange management

The SBV continued to improve the legal framework for foreign exchange activities and modernize the system of legal documents in line with practical conditions, contributing to the creation of a comprehensive and synchronized legal corridor that facilitates organizations and individuals in conducting foreign exchange activities in accordance with the law. In 2023, the SBV issued 01 decree and 03 circulars in the field of foreign exchange management. These new documents contributed to improving the legal framework for foreign exchange management, meeting the practical needs of organizations and individuals as well as the state's management requirements. In addition, legal documents were revised and simplified in line with the Government's administrative reform policy, ensuring consistency in regulations and implementing the plan to reduce and simplify regulations related to business activities as approved by the Prime Minister.

Implementing comprehensive solutions for effective management of current transactions

The management of current transactions continued to be carried out toward liberalization, in line with international commitments. At the same time, the SBV continued to implement policies to limit the use of foreign currency domestically, aiming to reduce and eventually eliminate dollarization, increase public

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The SBV continued to improve the legal framework for foreign exchange management. Effectively implemented the management of current transactions, capital transactions, foreign borrowing and repayment activities, the management of the SBV's foreign reserves, and the management of the gold market.

confidence in the VND, and minimize negative impacts on foreign currency supply and demand, as well as monetary policy operations. Specifically: **(1)** Remittance management policies remained open and in line with the trend of integration, encouraging and facilitating the inflow of remittances, contributing to domestic economic development and improving Viet Nam's balance of payment; **(2)** Foreign currency exchange agents for foreign tourists and the buying and selling of cash foreign currency by authorized CIs to individuals for lawful spending abroad were implemented according to legal regulations, attracting foreign currency into the banking system; **(3)** The effectiveness of monitoring cross-border payment and money transfer transactions was enhanced by directing CIs to establish a uniform set of rules and practices for document verification in international money transfers by individual customers; conferences were held to discuss and complete this set of rules for uniform implementation throughout the industry. Additionally, the SBV actively coordinated with relevant agencies to implement measures to correct the market, address violations, and enhance communication efforts to ensure the market's stable and smooth operation.

Capital transaction management

Foreign exchange management for foreign direct and indirect investment into Viet Nam was carried out to facilitate the attraction of foreign capital, supporting economic growth and improving the international balance of payment. At the same time, outbound investment from Viet Nam was closely and cautiously managed to limit risks for investors (especially in indirect overseas investment), contributing to macroeconomic stability, avoiding negative impacts on the international balance of payment, and prioritizing the concentration of resources for domestic economic development. Meanwhile, domestic investors were supported in seizing investment opportunities abroad to meet integration requirements.

Management of foreign borrowing and repayment

The SBV completed the legal framework for managing foreign borrowing and repayment, foreign lending and debt recovery, in line with relevant legal documents such as the Law on Enterprises, the Law on Investment, the Law on CIs, regulations on corporate bond

issuance, and foreign exchange management for corporate foreign borrowing and repayment. The framework also created favorable conditions for businesses to access foreign loans for production and business development. The SBV continued to closely monitor and manage foreign borrowing and repayment activities by businesses without government guarantees, in line with the goal of managing the country's external debt. The SBV ensured that the net foreign borrowing limit for self-borrowing and self-repayment enterprises remained within the limit approved by the Prime Minister, ensuring compliance with the country's external debt safety indicators while meeting the capital needs of businesses.

Management of the SBV's foreign reserves

In 2023, the SBV purchased foreign currency to supplement the foreign reserves, ensuring the availability of resources to intervene in the market when necessary, maintaining market liquidity, contributing to macroeconomic stability, and controlling inflation. In addition, the SBV promptly adjusted the structure, standards, and investment limits for the foreign reserves in line with domestic and international financial market developments, while adhering to the principles of preservation, liquidity, and profitability in reserve management.

Gold market management

The SBV continued to implement gold market management measures under Government Decree No. 24/2012/ND-CP dated April 3, 2012, specifically: *(i)* Closely monitored domestic and international gold market developments, preparing intervention plans if necessary; *(ii)* Closely managed and monitored the gold bullion market; *(iii)* Coordinated with relevant ministries and agencies to inspect and manage the gold market as directed by the Government; *(iv)* Enhanced communication on the state's gold market management policies. Additionally, in 2023, the SBV drafted a report evaluating the implementation of Decree No. 24/2012/ND-CP to propose appropriate gold market management measures to the Prime Minister, considering the new situation.

3. Banking inspection and supervision

Inspection and supervision activities



The SBV continues to vigorously and comprehensively implement measures related to bank inspection and supervision; measures to restructure the system of CIs associated with handling NPLs; and accelerate the implementation to ensure safe and effective operations in line with Basel II international standards.

The inspection work continued to be innovated by enhancing thematic inspections, focusing inspection resources on subjects and areas with high risks of violations and misconduct, in order to promptly detect, prevent, and strictly handle violations by CIs, contributing to maintaining discipline in monetary and banking operations. Bank supervision continued to be closely linked with inspection activities. Supervision not only focused on monitoring compliance with safety regulations but also emphasized assessing risks in the activities of CIs. This helped direct and prioritize inspection efforts. Additionally, the SBV continued to apply information technology to better monitor the activities of CIs and enhance early risk detection and warning capabilities.

The inspection and supervision work has identified deficiencies and violations in the activities of CIs; thereby proposing recommendations and strictly handling violations to maintain and uphold discipline in monetary and banking activities. Based on the results of the inspection and supervision, the SBV has issued directives to rectify CIs and foreign bank branches on issues related to bond advisory services, the introduction and provision of information on corporate bonds, insurance agency activities, customer information security, debt collection activities, requirements for ensuring safety in banking operations, reviewing risk provisions, receivables of interest and fees, profits, lending to customers outside the branch's geographical area, fees and charges at CIs, overseas money transfers, investments, and commercial payments, among others.

Licensing Management

In 2023, the licensing work for new establishments and operational licenses for CIs was implemented in accordance with regulations and the actual operations of CIs. Regarding the licensing of new establishments, the SBV processed the licensing requests of South Korean banks in Viet Nam and the applications for credit information service provision certificates from three credit information companies. For operational licenses, the SBV has addressed CIs' requests for approval of charter capital increases, proposed personnel, network

development plans, amendments to the establishment and operational licenses, requests to temporarily allow the implementation of other foreign exchange activities in the international market, and the issuance of certificates of registration for microfinance programs and projects...

Anti-Money Laundering Efforts

The efforts to combat money laundering and terrorist financing continued to achieve significant results, contributing to preventing domestic and international crime, protecting national financial-monetary security, and ensuring the safety of the banking system. The SBV closely coordinated with relevant ministries and sectors to implement key tasks, including: **(1)** Vigorous implementation of the National Action Plan on Anti-Money Laundering, Counter-Terrorism Financing, and Counter-Proliferation Financing of Weapons of Mass Destruction for the 2021-2025 period, as stipulated in Decision No. 941/QĐ-TTg dated August 05, 2022, by the Prime Minister; **(2)** Drafting and submitting to the Prime Minister the Regulation on the organization and operation of the Anti-Money Laundering Steering Committee; **(3)** Reporting to the Prime Minister on the National Risk Assessment (NRA) of money laundering for the 2018-2022 period; **(4)** Issuing Plan No. 3573/PA-NHNN dated May 12, 2023, on anti-terrorism and counter-proliferation financing within the banking sector, and Plan No. 08/KH-NHNN dated May 12, 2023, on anti-terrorism and counter-proliferation financing for the 2023-2024 period; **(5)** Attending the plenary meeting of the Financial Action Task Force (FATF) and completing Vietnam's national progress report on AML and counter-terrorism financing to submit to the FATF; **(6)** Collaborating with the Asia/Pacific Group on Money Laundering (APG) to discuss support for the implementation of Viet Nam's commitment to AML and counter-terrorism financing with the FATF.

Additionally, the SBV continued to collect, process, and transfer suspicious transaction reports to relevant authorities. In 2023, the SBV processed around 3,677 suspicious transaction reports from reporting entities, 596/639 requests for information and documents from domestic authorities, and 29/29 information requests from foreign financial intelligence units.

Continued Implementation of the Plan for Restructuring the CI System Linked to NPL Resolution for 2021-2025; Directing CIs to Ensure Safe and Effective Operations in Line with Basel II International Standards

Continuing to Strengthen the Restructuring of the CI System Linked to NPL Resolution

In 2023, the SBV actively directed CIs to implement the tasks and solutions outlined in the Plan for Restructuring the CI System Linked to NPL Resolution for the 2021-2025 period, issued under Decision No. 689/QĐ-TTg dated June 8, 2022, by the Prime Minister (Plan 689). The focus has been on: (1) Accelerating the resolution of non-performing loans (NPLs) and addressing operational shortcomings; (2) Implementing directives from relevant authorities on restructuring and resolving weak CIs to ensure operational stability and gradually support their recovery; (3) Guiding CIs in developing and approving restructuring plans linked to NPL resolution for the 2021-2025 period to ensure alignment with the goals and orientations set out in Plan 689. As of now, CIs are in the process of developing and implementing restructuring plans in line with the directives and guidance of the SBV. Thanks to these efforts, the activities of CIs have remained safe and stable. The scale of the CI system has continued to grow, financial capacity, governance, and management have been strengthened, NPL ratios have remained at safe levels, and asset and credit quality have improved. Additionally, non-credit services, retail banking, and consumer credit have been prioritized for development.

Implementation to Ensure Safe and Effective Operations in Line with Basel II International Standards

The governance, management, and risk control capabilities of CIs have been gradually improved to meet international standards. The implementation of Basel II remains a priority for CIs, particularly in ensuring capital safety. As of now, 90 commercial banks and foreign bank branches have applied the capital adequacy ratio regulations outlined in Circular No. 41/2016/TT-NHNN. CIs continue to enhance their governance, management, risk control, and internal control systems in accordance with Circular No. 13/2018/TT-NHNN and related regulations. Furthermore, the SBV is reviewing, amending, and supplementing regulatory documents to guide the

implementation of Basel II, including the issuance of rules for capital calculation using the advanced approach (FIRB) and a roadmap for the advanced implementation of Basel II.

4. Macroprudential supervision of the financial system

The SBV also continues to strengthen and refine the financial stability analysis framework, while improving the data infrastructure for monitoring, identifying, analyzing, and assessing potential risks that may impact financial stability and macroprudential safety. This includes collecting financial-macro data, conducting financial system risk surveys, stress testing the banking system against shocks and external impacts, and completing the legal framework for financial stability, macroprudential tools, and policies to prevent systemic risks and reduce negative effects on the economy.

5. Legislation

Law making

The SBV remains focused on developing and perfecting institutions, legal frameworks, and policies concerning monetary and banking activities. These efforts have led to several new developments. In accordance with Resolution No. 63/2022/QH15 dated June 16, 2022, from the National Assembly, in 2023, the SBV has drafted amendments to the Law on CIs, with the aim of restructuring weak CIs, improving governance and management capabilities within these institutions, strengthening measures to prevent manipulation and dominance in CI operations, and mitigating the concentration of credit to ensure safety in their activities. During the 5th and 6th sessions of the 15th National Assembly, the SBV submitted and received feedback from the National Assembly delegates to finalize the draft Law on CIs (amended). Additionally, in 2023, the SBV has submitted to the competent authorities to issue 29 legal documents, including 3 Government decrees, 1 Prime Minister decision, and 25 circulars, focusing on the following areas: (1) Regulating the business activities of corporate bond issuance by banks to promptly stimulate capital flows, promoting economic growth while managing risks; (2) Adding regulations on lending

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The SBV continues to enhance the effectiveness and efficiency of macroprudential supervision and stability, with a focus on improving the legal framework for financial stability, macroprudential tools, and policies to prevent systemic risks and mitigate negative impacts on the economy.

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The development and enforcement of laws continue to be strengthened to improve the legal framework for monetary and banking activities, contributing to enhancing the efficiency of state management, as well as increasing the transparency and consistency of the legal system in banking.

practices in line with the digital transformation process in banking, as well as other regulations to make it easier for customers to access bank loans; **(3)** Strengthening the inspection of compliance with monetary and banking laws, while enhancing the role of internal control to prevent, detect, and address risks within non-bank financial institutions; **(4)** Continuing to implement the Government's Resolutions on promoting administrative reform as well as Scheme 06 on the development of citizen data applications, identification, and electronic authentication to support national digital transformation for the 2022-2025 period, with a vision to 2030;...

The results of issuing these legal documents have continued to improve the legal framework of the banking sector, creating a foundation for the effective implementation of mechanisms, monetary policies, and credit policies. This has contributed to supporting and resolving difficulties for people and businesses, promoting the recovery and development of production and business activities, while strengthening state management in the monetary and banking sectors. It also establishes an important legal foundation for the SBV in operating monetary policy and ensuring the safety of banking activities while facilitating the restructuring of the credit institution system.

Examination, revision and systematization of banking legal documents

In 2023, the SBV reviewed and handled 38 legal documents. The SBV also published the results of its systematization of legal documents for the 2019-2023 period within the SBV's scope of management, which include 527 effective documents, 139 fully expired or suspended documents, 193 partially expired or suspended documents, and 22 documents requiring suspension, amendments, replacements, or issuance of new ones.

Banking law enforcement

To improve the effectiveness of law enforcement in the banking sector, the SBV has focused on the following actions: **(1)** Regularly updating and monitoring the implementation of new legal documents from the National Assembly, the Government, and the Prime Minister; **(2)** Monitoring law enforcement in specific areas to propose the issuance of guiding documents,

or amendments, supplements, or new legal documents as needed to meet management requirements, thereby enhancing the consistency and transparency of banking laws; (3) Researching and providing opinions on signing and approving international treaties related to the banking sector.

6. Issuance and vault operations

Cash issuance and regulation

In 2023, the cash deficit remained low, the demand for cash decreased largely due to the development of non-cash payment methods. As the cash inflows and outflows within the banking system reversed (from a high surplus in 2022 to a deficit in 2023), the SBV flexibly managed cash supply, ensuring that the value and structure of denominations were adequately met. Cash transfer operations within the SBV system were carried out proactively and promptly to ensure asset safety. Local cash reserves were prepared to meet the increased cash demand toward the end of the year, particularly around the Lunar New Year. The SBV set a rule that no more than 60% of each cash distribution should consist of VND 500,000 banknotes and increased the circulation of smaller denominations (VND 20,000 or less) to maintain a balanced currency structure. The SBV continued its efforts to collect and sort circulated cash to improve the cleanliness and quality of banknotes. The volume of non-circulating cash recovered by the SBV system remained high, increasing by 1.4% compared to 2022, with the percentage of recovered unfit-for-circulation cash reaching 5.8%, higher than 2022's 4.8%. The SBV also researched and developed standards for unfit-for-circulation banknotes to be implemented in automated counting and sorting machines, modernizing the currency sorting process within the banking system.

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*Effectively implement
issue and vault
operation, ensure
system safety and
monetary security.*

Cash Vault Safety Management

In 2023, the SBV continued to improve the legal framework, notably issuing Circular No. 23/2023/TT-NHNN on December 29, 2023, which set technical standards for vaults and armored vehicles used by CIs and foreign bank branches. These regulations were designed to better align with practical requirements and enhance the efficiency of vault operations. The SBV also conducted regular and unscheduled inspections,

internal audits, and external checks on the compliance with vault safety regulations at SBV provincial branches and CIs, promptly addressing violations and improving management effectiveness to ensure asset safety. The SBV continued its collaboration with the Ministry of Public Security to implement measures to prevent bank robberies and ensure the security of banking operations and public safety.

Counterfeit money prevention, confrontation and protection of the national currency

The SBV promptly analyzed, assessed and issued warnings about newly discovered counterfeit currencies to the banking system and State Treasury. It actively monitored counterfeit money seizures in the banking system and State Treasury. The SBV also provided ongoing training for bank cashiers, tellers, and State Treasury personnel on how to distinguish between genuine and counterfeit banknotes. Furthermore, it closely cooperated with relevant authorities to take measures against counterfeiting and protect the integrity of Vietnamese currency.

7. Payment operations and digital transformation

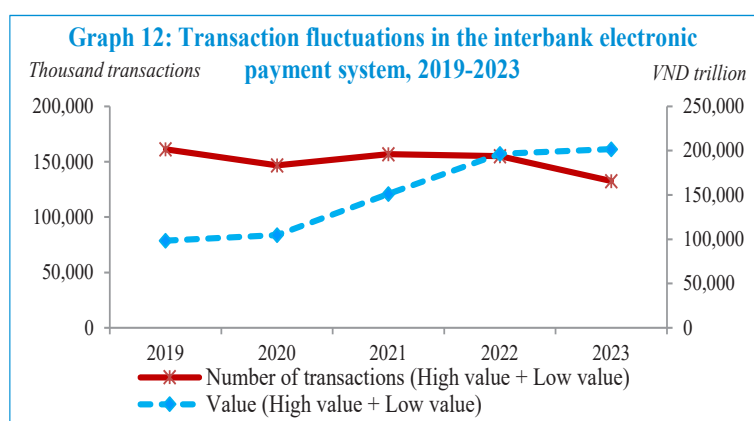
Payment system modernization

Electronic interbank payment system



The payment system continued to be modernized with stable, safe, convenient, and secured operation, well serving the need for payment in the economy.

The Interbank Electronic Payment System (IBPS) continues to be invested in and modernized to meet the growing demand for electronic payments from the public. The system operates stably; although the number of transactions has decreased, the transaction value has increased. It effectively meets the payment and money transfer needs of its member units, while promoting fast, convenient, accurate, and secure payment operations. By the end of 2023, the entire system had 100 members and 72 member units (excluding the SBV), with 75 members and 72 member units utilizing the low-value payment service (excluding the SBV). The total number of transactions through the IBPS System reached nearly 132.59 million, with a transaction value of approximately VND 201.78 quadrillion (a 14.57% decrease in transaction volume but a 2.76% increase in transaction value compared to 2022).



Source: the SBV

Financial transaction clearing and switching system

The financial transaction switching and electronic clearing system has operated smoothly and stably, meeting the demands of the economy. It processed approximately 7.37 billion transactions with a total value of VND 53.03 quadrillion, representing a 52.64% increase in transaction volume and a 13.26% increase in transaction value compared to 2022. The automated clearing house (ACH) system, officially operated by the National Payment Corporation of Viet Nam (Napas) since July 2020, functions continuously 24/7, processing transactions through multiple channels and platforms, serving money transfers, retail payments, and utility bill payments. With 15 member banks, in 2023, the ACH system processed 231.07 million transactions with a total value of VND 2.81 quadrillion, reflecting a 119.93% increase in transaction volume and a 51.79% increase in transaction value compared to 2022.

Card payment

By the end of 2023, there were 20,961 ATMs, 537,502 POS terminals, and 147.04 million cards in circulation nationwide. The number of transactions via POS terminals reached 728.88 million, with a transaction value of VND 1.23 quadrillion, reflecting a 16.96% increase in transaction volume and an 18.66% increase in value compared to 2022. The number of transactions via bank cards reached 797 million, with a total value of approximately VND 1.74 quadrillion, representing a 14.6% increase in transaction volume and a 17.72% increase in value compared to the end of 2022. Meanwhile, the number of ATM transactions reached 970.62 million, with a value exceeding VND 2.8 quadrillion, marking

a 9.34% decrease in transaction volume and a 9.08% decrease in value compared to 2022.

To promote cashless payments, the SBV continued implementing electronic Know Your Customer (eKYC) methods for account opening and card issuance. This initiative significantly contributed to the development of safe and convenient card payment services, allowing even rural and remote populations to access banking services without visiting bank branches. By the end of 2023, approximately 40 banks and foreign bank branches had opened over 35 million eKYC-enabled payment accounts, with 27 banks issuing eKYC-enabled cards, resulting in 14.9 million active eKYC-issued bank cards.

Payment activities via electronic channels

In 2023, payments through electronic channels continued to experience high growth compared to 2022. Cashless payment transactions reached 11.34 billion, with a total transaction value of VND 222.29 quadrillion, reflecting a 49.36% increase in transaction volume and a 1.28% increase in value compared to 2022. Transactions via the Internet exceeded 2.17 billion, with a transaction value of over VND 58.85 quadrillion, marking a 54.77% increase in volume and a 6.5% increase in value compared to 2022. Mobile payment transactions reached nearly 7.96 billion, with a value exceeding VND 55.10 quadrillion, reflecting a 59.86% increase in volume and a 12.73% increase in value compared to 2021. QR code-based transactions saw the highest growth to date, with nearly 262.87 million transactions valued at more than VND 191.93 trillion, a 242.46% increase in volume and a 157.2% increase in value compared to 2022, showcasing the convenience and utility of this payment method for the public.

In 2023, the market saw the participation of 51 non-bank organizations licensed to provide intermediary payment services, which helped diversify, increase convenience, and expand customer service offerings, while optimizing IT infrastructure investment costs and promoting cashless payments. By the end of 2023, there were approximately 32.77 million active e-wallets (accounting for 57.32% of the nearly 57.17 million e-wallets that had been activated), with a total balance of approximately VND 4.32 trillion. The number of successful transactions processed by intermediary

payment organizations reached approximately 4.285,44 billion, with a transaction value of over VND 1.977 quadrillion, marking a 54.23% increase in volume and a 47.93% increase in value compared to 2022.

Additionally, electronic payments in the government sector and public administrative services achieved positive results. Cashless payment methods were emphasized and strengthened in the collection of state budget revenues, educational and healthcare services, electricity, water, salary payments, health insurance, social security, and unemployment benefits, all yielding positive outcomes. The SBV directed commercial banks and intermediary payment organizations to actively invest in technology applications and explore solutions to connect with the National Public Service Portal, enabling online payments for services integrated into the portal. Fee exemptions and reductions were also applied to transactions conducted via the National Public Service Portal.

Promoting digital transformation in banking activities to provide innovative, safe and convenient products and services to customers

In alignment with the directives of the Politburo, Government, and Prime Minister regarding proactive participation in the Fourth Industrial Revolution (Industry 4.0) and the implementation of the national digital transformation program,²⁴ the SBV has taken several significant steps: **(1)** Continued implementation of various projects, programs, and plans to promote digital transformation in banking operations, including: Scheme for Development of Non-cash Payment in Viet Nam for the period 2021-2025; the Banking Sector Digital Transformation Plan until 2025, with orientation toward 2030; the SBV's Digital Transformation Plan for 2022; and the SBV's plan to implement Decision No. 06/QD-TTg dated January 6, 2022, by the Prime Minister, approving the project for the development of a national data application on population, identification, and electronic

²⁴ In Resolution No. 52/NQ-TW dated September 27, 2019, issued by the Politburo on several policies for proactive participation in the Fourth Industrial Revolution, and Decision No. 749/QD-TTg dated June 3, 2020, by the Prime Minister approving the National Digital Transformation Program until 2025 with an orientation toward 2030, *the banking sector is identified as a field with significant social impact, closely tied to people's daily lives, undergoing the fastest shift in awareness, delivering efficiency, cost-saving benefits and thus prioritized for digital transformation.*

authentication for digital transformation in the 2022-2025 period, with a vision to 2030; (2) Drafted and submitted to the Government decrees on cashless payments and a regulatory sandbox mechanism in the banking sector; (3) Guided the implementation of electronic account opening and card issuance using eKYC methods, enabling customers to access and use payment services without needing to visit bank branches; (4) Collaborated with the Ministry of Public Security and the Ministry of Information and Communications to pilot Mobile Money, allowing small-value payments via telecom accounts for goods and services, as per Decision No. 316/QĐ-TTg dated March 9, 2021. The SBV also reported to the Prime Minister on the two-year pilot project.²⁵

In 2023, digital transformation efforts in banking achieved notable results. The SBV ranked 4th in digital transformation performance according to the Digital Transformation Index (DTI) from the Ministry of Information and Communications.²⁶ 95% of CIs have developed and are implementing digital transformation strategies, with many CIs achieving over 90% of transactions via digital channels. Some CIs that have actively pursued digital transformation have successfully reduced their cost-to-income ratio (CIR) to around 30%, approaching the benchmarks set by many regional and international banks undergoing digital transformation. CIs and intermediary payment organizations have adopted advanced technologies to streamline operations, enhance efficiency, and improve customer transaction experiences. These technologies include cloud computing, big data analytics, robotic process automation (RPA), artificial intelligence/machine learning (AI/ML), all of which are applied to optimize processes, enhance operational effectiveness, and enrich customer interactions. Many basic banking services have been fully digitized, including savings deposits, term deposits, account openings, card issuance, e-wallets, and money transfers. The implementation of Decision No. 06/QĐ-TTg dated January 6, 2022, has made significant progress in researching solutions for customer authentication using

²⁵ As of the end of December 2023, the total number of registered and active Mobile Money accounts exceeded 7.2 million, with nearly 5.2 million accounts (accounting for approximately 71% of the total) registered and used by customers in rural, mountainous, remote, border, and island areas.

²⁶ The 2022 Digital Transformation Index Report of the Ministry of Information and Communications.

chip-based ID cards and VNeID (digital identity accounts), while collaborating with the Ministry of Public Security on data cleansing and credit scoring. Additionally, public service software has been developed to meet security standards set by the Ministry of Public Security and Ministry of Information and Communications, facilitating connection to the national population database, which was officially operational as of March 27, 2023. The SBV has also continued digitizing and synchronizing administrative procedure records with the Government's administrative procedure information system.

Oversight of key payment systems and intermediary payment services

The SBV's oversight of key payment systems and intermediary payment services focuses on the following tasks: (1) Daily online monitoring of the National Interbank Payment System (IBPS); (2) Monitoring the operation of ATMs; (3) Periodic supervision of other important payment systems, such as the Foreign Currency Payment System, the Securities Transaction Payment System, and the financial transaction clearing and switching systems; (4) Enhancing supervision, inspection, and auditing of intermediary payment service provision. These activities contribute to minimizing risks, ensuring the safety, efficiency, and seamless operation of key payment systems and intermediary payment services, thereby effectively meeting the payment needs of the economy.

8. Green banking

Solutions to promote green banking activities have continued to be vigorously implemented: (1) Issued the Banking Sector's Action Plan to implement the National Green Growth Strategy for the 2021-2030 period (Decision No. 1408/QĐ-NHNN dated July 26, 2023) and the Project on tasks and solutions to implement the outcomes of the 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26); (2) Directed the VBSP to implement policy credit programs that support low-income households with housing adapted to climate change. These programs include loans for building storm- and flood-resistant houses in Central Viet Nam and floodplain housing in the Mekong Delta. Other credit programs contribute to reducing greenhouse gas emissions and

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Solutions to promote green banking activities have been actively implemented, and green credit outstanding balances continue to experience strong growth.

environmental pollution; (3) Collaborated with relevant agencies to study and develop a lending program for the production, processing, and consumption of high-quality, low-emission rice in the Mekong Delta; (4) Continued monitoring the implementation of Circular No. 17/2022/TT-NHNN dated December 23, 2022, on environmental risk management in credit granting for three groups of projects with environmental impacts, as regulated by the Law on Environmental Protection and Government Decree No. 08/2022/ND-CP; (5) Worked with relevant ministries and sectors to draft and finalize regulations related to green credit, such as the draft Prime Minister's Decision on environmental criteria and certification for projects granted green credit and green bond issuance, a set of statistical indicators for green growth, and the green economy sector system to implement the National Strategy for Green Growth. By the end of 2023, 47 CIs had issued green credit, with outstanding green loans reaching VND 620.98 trillion (a 24% increase compared to the end of 2022), accounting for approximately 4.5% of total outstanding loans in the economy. These loans are primarily focused on renewable energy, clean energy, and green agriculture. Additionally, loans assessed for environmental and social risks reached VND 2.84 quadrillion (an increase of more than 20% compared to the end of 2022), representing nearly 20% of total outstanding loans in the economy.

9. Credit information



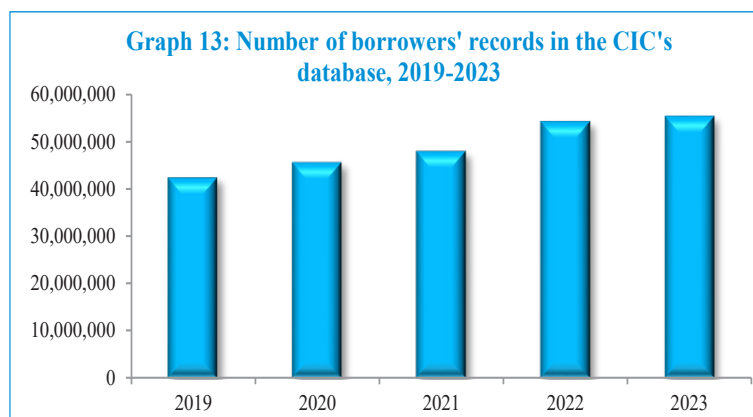
The operations of the Credit Information Center (CIC) continue to be actively developed, becoming one of the critical databases of the SBV. The CIC contributes to enhancing transparency of information, ensuring safety,

Credit information activities have continued to operate stably, with the legal framework for credit information being enhanced through the issuance of Circular No. 15/2023/TT-NHNN on December 5, 2023. This circular facilitates the CIC in expanding and improving the quality of the national credit information database. The credit information system has been invested in and upgraded, providing significant support to the SBV's management and decision-making, promoting comprehensive digital transformation, and affirming the critical role of credit information in Vietnam's financial infrastructure. It also meets the growing demand for information to support lending, particularly in the context of electronic loan processing, and helps individuals and businesses access information fairly, transparently, and securely.

Expansion and Enhancement of the National Credit Information Database

and mitigating risks for banking operations.

In 2023, the national credit information database continued to expand in scale and improve in quality. Besides traditional data sources from 100% of CIs, CIC also expanded its participation by adding 06 voluntary organizations, bringing the total number of participating voluntary organizations to 61. The SBV has focused on quality control of reports from CIs and voluntary organizations and has collaborated with C06 - Ministry of Public Security to clean up borrower identification data using the national population database. Moreover, CIC enhanced connections with external agencies to refine and standardize information stored in the national credit information database. CIC has cross-checked 42.3 million customer records with the national population database, collected additional data from other state agencies to update legal information, financial statements, and corporate tax arrears. In 2023, credit information coverage improved, increasing by more than 1 million customer records, bringing the total to over 55.3 million, covering approximately 74.78% of the adult population.

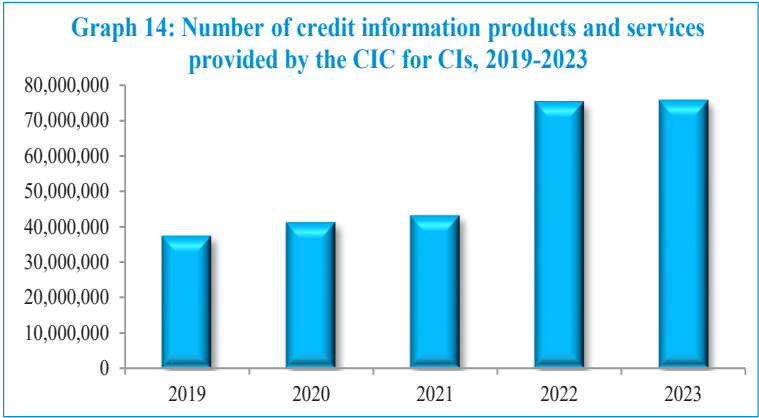


Source: the SBV

Credit information provision

CIC continued to provide timely information to support the SBV's management and operation, developing 27 new consolidated reports to assist advisory, inspection, and supervision of banking activities of functional units; and providing information to support other state management agencies as prescribed. In 2023, the number of reports accessed by SBV units exceeded 23,400, a 131% increase compared to the same period in 2022. Additionally, CIC provided credit information products

and services that better meet the risk management needs of CIs, issuing over 75.8 million reports-an increase of over 300,000 reports compared to 2022. New information, such as verification status with the national population database and customer credit scores and ratings, was included, and the average product price decreased by 30% compared to 2022.



Source: the SBV

CIC also focused on improving borrower services by applying technology to shorten account approval times and enhance customer experiences. As a result, through the customer connection portal and smartphone app, the number of newly registered borrower accounts grew significantly, reaching 538 thousand accounts and bringing the total to over 1.4 million-a 60% increase from 2022. The number of credit information reports provided directly to borrowers reached 603 thousand, an 80% increase from 2022. Furthermore, over 72 thousand customers successfully connected to loan providers, a 10.8% increase from 2022.

Strengthening Technology Application and Enhancing IT System Capabilities to Ensure Continuous, Secure, and Safe Operation of the Credit Information System

InlinewiththeBankingSectorDigitalTransformation Plan through 2025 with orientations toward 2030, and the Information Technology Application, Digital Transformation, and Cybersecurity Plan for the SBV's operations, CIC has actively enhanced the application of information technology across its management systems and business processes. This includes investments in upgrading hardware, software, and security solutions, while regularly conducting system security checks and vulnerability assessments in collaboration with related

units. In 2023, CIC completed the relocation of its main data center (DC) to infrastructure meeting UPTIME TIER III standards, ensuring full support for CIC's Level 3 information systems and enhancing the safety and operational reliability of the DC. By the end of 2023, the rate of automated information control and provision reached over 97%. Identified weaknesses were addressed promptly, preventing major incidents that could compromise system security or disrupt the collection and provision of credit information.

10. Communication and information transparency

Communication efforts and the transparency of information have continued to be proactively, consistently, and professionally implemented, fostering trust among businesses and the public in the management of monetary policy and banking activities. These efforts have made a significant contribution to the overall success of the banking sector.

In 2023, based on the directives of the Party, National Assembly, and Government, the SBV's communication activities continued to be proactively, consistently, and professionally implemented across central and local levels, as well as between the SBV and CIs and media units within the banking sector. The communication efforts focused on several key tasks: **(1)** Enhancing state management of communication within the banking system; **(2)** Broadly disseminating the Government's policies, the SBV's monetary policy management, and banking operations, with a focus on policies aimed at alleviating difficulties for the public and businesses, promoting economic growth, cashless payments, and digital transformation in banking, as well as the application of population data in banking operations; **(3)** Providing timely responses to issues of public concern raised by the media and voters, thereby boosting public trust; **(4)** Continuing to implement financial literacy programs, organizing seminars and conferences on topics of public interest, and holding financial and banking knowledge competitions for students nationwide; **(5)** Effectively implementing regulations on official statements and information provision by the SBV, ensuring transparency in accordance with legal regulations and international commitments. To ensure smooth, effective policy implementation, the SBV has emphasized pre-, during, and post-communication



Communication efforts and the transparency of information have continued to be proactively, consistently, and professionally implemented, fostering trust among businesses and the public in the management of monetary policy and banking activities. These efforts have made a significant contribution to the overall success of the banking sector.

of new mechanisms and policies. Communication methods have been regularly updated and diversified, particularly with the application of digital transformation in communication, targeting the younger generation, people in remote and rural areas, and vulnerable groups in society. Additionally, the SBV's electronic portal has successfully fulfilled its role in ensuring transparency of information in line with international commitments, providing official information about the SBV's management policies, outcomes, and future directions regarding monetary and banking activities. It has also played a key role in integrating public services information, supporting administrative reform and the development of e-government.

Financial literacy programs have been revamped in both content and format. Programs such as “Wise money” and “Fund regulator” on VTV1 have received positive public feedback. These programs have contributed to improving public access to banking products and services, limiting black credit, and fostering a financially literate community. They also support the Government's projects²⁷ and the National Digital Transformation Program through 2025, with a vision to 2030.

²⁷ The Project on Cashless Payment Development for the 2021-2025 period, the Project on Promoting Payments for Public Services through Banks, the Project on Enhancing Access to Banking Services for the Economy, and the National Financial Inclusion Strategy until 2025, with vision toward 2030.

Part III - Internal governance

1. Internal audit

In 2023, the SBV effectively implemented internal control and audit tasks in accordance with Circular No. 06/2020/TT-NHNN, dated June 30, 2020. The SBV also continued to explore transitioning to a risk-based audit approach. Accordingly, the SBV conducted 42 audits and inspections at 32 departments, agencies, and branches. The audits focused on reviewing and assessing key central banking operations, including payment management, issuance and vault operations, communication, information security, financial management, construction investment, and asset procurement. Additionally, the SBV directed units to strengthen self-inspection and internal control to promptly address deficiencies and improve processes and internal regulations. These efforts aimed to enhance management efficiency and compliance with legal regulations, as well as prevent corruption, promote savings, and combat waste, contributing to the overall quality, safety, and efficiency of SBV operations.

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Internal audit and control activities remained focused on areas with potential risks, contributing to improving the quality, efficiency, and safety of the SBV's operations.

2. Human resources and trainings

Organizational structure, staffing, and job positions

The organizational structure of the SBV (SBV) has been streamlined to enhance operational efficiency. In 2023, the SBV undertook the following initiatives: **(1)** Merged the Emulation and Rewarding Department with the Personnel and Organization Department; **(2)** Merged the Banking Training School into the Banking Academy; **(3)** Established the new State Foreign Exchange Reserve Management Department; Reduced the number of divisions within SBV departments from 59 to 45 (reduce 14 divisions, a decrease of 23.7%); **(4)** Issued decisions that define the functions, responsibilities, and organizational structure of SBV units, stipulates the functions, tasks, and organizational structure of the units under the SBV based on the principle of fully allocating the SBV's tasks to the units, clearly identifying the lead unit for each task, and avoiding overlaps or omissions.

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The SBV continued to streamline its organizational structure and enhance operational efficiency, while also improving the quality of personnel through training and capacity building.

As part of the government's payroll reduction plan for the 2022-2026 periods, the SBV strictly adhered to the payroll set by the government, preventing overstaffing.

Based on the payroll of civil servant and public employee assigned by the Ministry of Home Affairs for the 2022-2026 period, the SBV has approved the staffing allocation plan for its units according to the following principles: (1) Staffing allocation is based on the workload for SBV branches and on the specific functions, duties, and unique characteristics of each unit for departments of the SBV Central Office, and public administrative units under the management of the SBV; (2) Payroll from the previous year are inherited and reasonably adjusted to minimize sudden impacts on the operations of each unit.

Regarding the recruitment of civil servants, in 2023, the SBV carried out the recruitment process in full compliance with legal procedures and regulations to ensure high-quality candidates that meet job requirements across its units. The SBV organized competitive exams for 263 civil servant positions (Category C) to be assigned to departments at the SBV Central Office and provincial branches nationwide. Additionally, the SBV continued to utilize computer-based multiple-choice exams to ensure transparency and fairness in the recruitment process. A question bank and interview system were developed and applied for all fields, specializations, and recruitment positions. The recruitment results were publicly posted on the SBV's electronic portal.

In terms of personnel management for civil servants and public employees, the SBV focused on reviewing and issuing regulations and guidelines related to: (1) Regulations on leadership and management position planning for enterprises under SBV management; (2) Regulations on the rotation and transfer of civil servants and public employees in leadership positions, as well as managers of SBV-managed enterprises; (3) Regulations on the appointment, reappointment, resignation, dismissal, transfer, and secondment of civil servants and public employees under SBV management; (4) Regulations on the decentralization of civil servant, public employee, and worker management, as well as management positions within SBV-managed enterprises. Throughout the implementation process, the SBV strictly followed the proper authority and procedures for personnel management, with careful preparation of staffing plans. As a result, personnel were assigned to the right positions based on their skills and strengths, minimizing leadership and management shortages.

Training and fostering

The SBV has continued to focus on training and capacity building, prioritizing quality and effectiveness to improve its human resources. Accordingly, the SBV has emphasized: **(1)** Reviewing, developing, and issuing regulations and plans, such as the Regulation on Training and Capacity Building for SBV staff, civil servants, and public employees; the Plan for Enhancing the Capacity of Banking Supervision and Inspection Officers for the 2023-2025 period; and the Framework Training Program for newly recruited staff; **(2)** Researching, developing, and implementing projects aimed at human resource development, such as the Expert Training Project and the Development and Expansion of the Part-Time Faculty Program. The Banking Sector Action Program is aligned with the Viet Nam Banking Sector Development Strategy to 2025, with orientation to 2030, in the area of human resource development, which includes building an E-learning training system and creating electronic training modules; **(3)** Mobilizing international cooperation and resources for training through programs and partnerships with organizations like the IMF, SEACEN, ADB, WB, JICA (Japan), GIZ (Germany), SECO (Switzerland), CIDA (Canada), FSS (South Korea), ATTF (Luxembourg), the Australian Government Scholarship, and central banks of Germany, Singapore, Sweden, Thailand, and Malaysia... In 2023, the SBV organized 278 training courses for 8,477 participants, exceeding the target by 221%. The courses were delivered on schedule with diverse formats suitable for different groups of participants. Special attention was given to political theory and state management training to meet the standards for leadership appointments. The training content focused on core professional competencies of the SBV and was regularly reviewed, updated, and adjusted to meet practical requirements.

3. Scientific research work

The scientific and technological activities of the banking sector have always received close attention and direction from the leadership of the SBV. In 2023, the SBV approved the implementation of 18 ministerial-level research projects, focusing on the following key areas: **(1)** Researching scientific and practical arguments to support the management of monetary policy, credit,

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The scientific and technological activities of the banking sector have continued to align

with the sector's goals and directions, making significant contributions to both theoretical and practical research in banking operations. This progress has been particularly valuable in the context of the Fourth Industrial Revolution (Industry 4.0) and the ongoing process of digital transformation, which is advancing rapidly.



Statistical work of the SBV continued to be enhanced and developed, contributing to its direction and management.



Strengthening state management

exchange rates, and foreign exchange management; (2) Researching the development of CIs, strengthening, and innovating banking governance systems in line with international practices; Researching to enhance the effectiveness and efficiency of banking supervision and inspection activities; (3) Researching to improve financial infrastructure, payment systems, information technology, and the development of banking services; (4) Researching on improving the financial infrastructure, payment systems, information technology, and the development of banking services; (5) Researching on cooperation and adaptation to international environmental changes in the banking sector and other supporting studies; (6) Other research topics that support the operations of the banking system.

4. Statistical work

To improve the quality of statistical reporting, the SBV has focused on urging, reviewing, and guiding CIs to ensure that their statistical reports are accurate, timely, and complete, in order to support the analysis, forecasting, and management of monetary policy. Additionally, the SBV has strengthened efforts to enforce discipline and compliance in the reporting process. The SBV has also continued to conduct formal surveys, such as the monthly inflation expectation survey, the quarterly business trend survey, and the semi-annual credit trend survey conducted online. Moreover, the SBV has piloted the quarterly inflation expectation survey among economic experts. These efforts help policymakers understand market trends and expectations in the monetary and banking sectors. Simultaneously, the SBV continues to update its database on macroeconomic factors and domestic and international financial markets, sharing this data with relevant units. This contributes to analysis, forecasting, policymaking, and the management of monetary policy by the SBV.

5. Information technology

The SBV issued legal documents and guidelines on IT (including 02 circulars, 01 directive, 01 decision, and various regulations), focusing on administrative reform, simplifying administrative procedures within its management scope, connecting with the national population database, and implementing solutions for

security and safety in online payments and bank card transactions. The SBV conducted planned inspections on the compliance with legal regulations on information technology at 9/9 CIs (CIs), and coordinated with the Ministry of Public Security (A05) to carry out specialized inspections at 03 CIs. The inspection results showed that the units had seriously implemented information security and data safety measures in accordance with Government and SBV regulations. Some shortcomings were identified, and the SBV made recommendations for remedial measures.

The SBV's information security efforts remain among the top performers according to the Ministry of Information and Communications' rankings. The SBV has consistently implemented multiple solutions, from policy formulation and execution oversight to inspections, monitoring, conducting drills, and training personnel in information security. Additionally, the SBV has managed, monitored, operated, and maintained 11 core information systems, ensuring continuous, safe, and efficient operations.

*of information
technology;
developing and
modernizing the
SBV's information
technology systems
to ensure the
security and safety
of the system.*

Part IV - International cooperation

In 2023, the SBV's international cooperation activities were effectively implemented amidst a complex international environment with unpredictable fluctuations, significantly affecting an open economy like Viet Nam's. The SBV continued to focus on maintaining and developing relationships with international partners, strengthening efforts to mobilize financial, technical, and advisory support, and accelerating the banking sector's integration into the global economy, thereby enhancing Vietnam's position on the international stage. As a result, the banking sector achieved notable progress in international cooperation, including: Increasingly affirming its position and playing an active role in implementing multilateral cooperation activities; expanding the liberalization of financial and banking services by participating in negotiations, signing, upgrading, and amending free trade agreements (FTAs); engaging in and promoting cooperation with global financial and economic institutions such as the IMF, WB, ADB, AIIB, BIS... to capture emerging trends and development drivers, benefit from policy advisory support, attract resources for development, and advance economic reforms towards international standards; continuing participation in Intergovernmental Committees and Banking Working Groups with partner countries such as Laos and Cambodia.

1. International economic integration

In 2023, the SBV continued to actively promote international economic integration in the banking sector, enhancing traditional friendly relations and comprehensive cooperation within frameworks such as ASEAN, ASEAN+3, APEC, WTO, and SEACEN.

Within the ASEAN cooperation framework, the SBV prioritized cooperation within ASEAN as the core focus of its international economic integration. In 2023, the SBV proposed and coordinated the implementation of practical initiatives related to central bank cooperation and actively participated in ASEAN banking cooperation working groups. Notably, the SBV successfully co-chaired



*Deeper integration
into global and
regional economy*

the ASEAN Banking Integration Framework (WC-ABIF) and the Payment and Settlement Systems Working Group (WC-PSS). These initiatives contributed to enhancing financial inclusion, further liberalizing capital accounts among ASEAN countries, improving payment system connectivity, and facilitating intra-regional capital flows, moving toward multilateral connectivity within ASEAN. This work played a crucial role in the region's financial and banking integration, aligned with the goals set out by the ASEAN Heads of State in the ASEAN Economic Community Blueprint 2025. A significant achievement was the signing of a Memorandum of Understanding on regional payment connectivity with ASEAN-5²⁸ central banks during the ASEAN Finance Ministers and Central Bank Governors Meeting in August 2023. This aimed to promote faster, more transparent, and inclusive cross-border payments with lower costs, safeguarding consumer rights and benefits. Additionally, the SBV continued to implement ASEAN, ASEAN+3, and APEC initiatives in building the ASEAN Taxonomy for sustainable finance, developing the ASEAN Green Map, promoting sustainable banking principles, and designing the 2022-2023 roadmap and training programs on sustainable finance for ASEAN countries.

Within the ASEAN+3 framework, the SBV worked closely with the ASEAN+3²⁹ Macroeconomic Research Office (AMRO) and member countries to enhance the preparedness of liquidity support mechanisms in both USD and local currencies. This was facilitated through the Chiang Mai Initiative Multilateralization (CMIM) Agreement, which aims to provide emergency liquidity assistance in cases of balance of payment or short-term liquidity difficulties, contributing to the stability of the region's financial and monetary markets. In 2023, the SBV and ASEAN+3 members discussed creating new support mechanisms under CMIM, including the Rapid Financing Facility (RFF), designed to provide quick access to assistance in cases of external shocks such as natural disasters or pandemics.

²⁸ Including the central banks of Indonesia, Malaysia, Philippines, Thailand, and the Monetary Authority of Singapore.

²⁹ Including ASEAN and South Korea, Japan, and China.

In the post-WTO economic integration phase, the SBV continued to refine the legal framework to guide the banking sector's deep integration into the WTO. The SBV also conducted reviews and provided information for the Trade Policy Review to improve compliance with WTO principles and Vietnam's commitments in multilateral and plurilateral trade agreements, ensuring greater transparency and understanding of Vietnam's trade policies and practices.

Furthermore, the SBV effectively advanced the liberalization of financial services by leveraging opportunities and minimizing risks from participation in FTAs. In 2023, the SBV actively participated in negotiations on financial services commitments in FTAs such as the Indo-Pacific Economic Framework for Prosperity (IPEF), the Vietnam-UAE FTA, and the ASEAN-Canada FTA. The negotiation and implementation of FTA commitments have always aimed to apply higher standards recognized internationally in the banking sector. The SBV also proactively participated in and provided information for explanation reports on Viet Nam's economy.

2. Cooperation with international financial and monetary institutions



Enhancing cooperation and strengthening position in international financial and monetary institutions.

The SBV continued to maintain and develop cooperative relationships with international financial, monetary, and banking organizations, while successfully fulfilling its role as the representative of the Government of Viet Nam and safeguarding Viet Nam's interests in these organizations. In 2023, the SBV strengthened its cooperation with international partners such as the WB, ADB, IFC, Deutsche Gesellschaft für Internationale Zusammenarbeit (DSIK), United Nations (UN), ASEAN, the UK, the EU... to attract resources that align with the key tasks of the banking sector. The focus was on: implementing the tasks assigned under the National Financial Inclusion Strategy to 2025, with an orientation toward 2030 (with a special priority in 2023 on education, financial knowledge dissemination, and capacity building for targeted financial inclusion groups), promoting green growth and green finance, helping Viet Nam meet its commitments at the United

Nations Climate Change Conference (COP26), and implementing the political declaration on establishing a Just Energy Transition Partnership (JETP). Additionally, the SBV has been actively researching and promoting the mobilization of capital for the private sector without government guarantees from international financial institutions such as ADB, AIIB, IFC, and the Multilateral Investment Guarantee Agency (MIGA). This will be an important resource for the country's development, gradually replacing public investment capital from the state budget in the future. To this end, the SBV actively cooperated with government agencies to implement Prime Minister's Decision No. 12/2022/QĐ-TTg³⁰, aiming to quickly process requests for no-objection opinions regarding financing activities by international financial institutions in Viet Nam's private sector. At the same time, the SBV urgently worked with relevant stakeholders to develop guidelines for attracting, managing, and utilizing these funds in the private sector without government guarantees, ensuring that financing activities are in line with government policies, domestic regulations, and effectively mobilizing and utilizing the resources from these organizations to meet the capital needs of domestic businesses and CIs. Key cooperation activities with international organizations include:

In relations with the IMF, 2023 marked a year of significant reforms aimed at strengthening the IMF's resources to enhance its capacity to support member countries in dealing with crises. The reforms focused on improving financial support tools to increase the effectiveness of lending to countries facing balance of payment difficulties or crises, and enhancing the IMF's role in macroeconomic and global financial system oversight to improve crisis prevention capabilities. These reforms included: *(i)* reviewing quotas to ensure it remains the primary source of IMF funding; *(ii)* reforming lending instruments to improve financial access for member countries; and *(iii)* upgrading data

³⁰ Decision No. 12/2022/QĐ-TTg dated May 9, 2022, issued by the Prime Minister, regulates the procedures, processes, and authority for issuing letters of objection or no-objection to the operations of international financial institutions in Vietnam's private sector.

provision framework and improving the data assessment of member countries.

As the representative of the Government of Viet Nam, the SBV actively participated in discussions related to these reforms, coordinating with Southeast Asian countries to unify perspectives and voice their positions on these specific reforms and the broader IMF activities. Additionally, the SBV continued to collaborate with the IMF representative office in Viet Nam to organize periodic surveillance missions, where macroeconomic and financial conditions were reviewed, government operations were evaluated, and policy recommendations were provided. Technical assistance activities continued to focus on financial sector stability review, financial soundness indicators, internal audit, anti-money laundering, and forecasting and policy analysis system.

In relations with the BIS, cooperation was strengthened through the first official visit of BIS General Manager Agustín Carstens to Viet Nam from September 20-22, 2023, where he met with senior leaders of the Party, Government, and the SBV, reflecting the BIS's high regard for Viet Nam. In fulfilling its membership obligations, the SBV attended the BIS Annual General Meeting, regular meetings at the Governor and Deputy Governor levels, and high-level discussions on topics such as the impact of technology in the 4.0 era on central banking, foreign exchange interventions, the effects of climate change on financial stability, and global central banking. The SBV also participated in technical-level meetings on monetary policy management, activities of the BIS Innovation Hub (BISIH), and the BIS Innovation Network (BISIN), as well as other BIS-affiliated committees and organizations. Cooperation in banking services provision remained active.

In relations with the WB, Viet Nam-WB cooperation continued to be strengthened, enhancing the effectiveness of existing WB projects in Viet Nam and expanding the portfolio of new WB-funded projects. Additionally, the SBV signed an amendment to the cooperation agreement with the IFC on “*Enhancing Women’s Leadership in the Banking Sector*,” extending the agreement to June 30, 2024, to conduct surveys on

the status of women in the banking sector and explore barriers and opportunities to improve gender equality in leadership roles. The SBV is also implementing the “*Memorandum of Understanding with IFC on Green and Sustainable Banking (2022-2026)*” to develop tools for monitoring the implementation of regulations on environmental and social risk management. Additionally, the technical assistance project “*Strengthening the Development and Soundness of Viet Nam’s Banking Sector*,” funded by the Swiss Federal Economic Administration (SECO) through the WB with a budget of approximately USD 7.2 million, continues to address structural weaknesses in Viet Nam’s banking system, aiming to meet international standards and contribute to macroeconomic and financial stability.

In relations with the ADB, the SBV successfully coordinated the implementation of the technical assistance project “*Support for Women-Led SMEs to Mitigate the Impact of the Covid-19 Pandemic*” with a value of USD 5 million, and the project “*Promoting Gender Equality Reforms in the Asia-Pacific Region*” with a value of USD 4 million. In 2023, the SBV completed procedures to receive and initiate the technical assistance project “*Enhancing Financial Inclusion and Climate Finance*,” using grant funding from SECO and JICA with a total value of USD 7 million (administered through the ADB). This project will run until 2028 and aims to promote fintech solutions to address financial inclusion challenges and support the banking sector in expanding green credit and green banking through policy advice and capacity building.

In relations with the AIIB, the SBV maintained its active role as a responsible member and advisor to the Board of Directors by providing feedback on policy documents, project proposals, and overseeing organizational management, portfolio investment, financial status, and risk management... At the AIIB Annual Meeting in September 2023 in Egypt, the Vietnamese delegation held several meetings with AIIB leaders and investment teams to further strengthen the partnership between the two sides. Additionally, in 2023, AIIB sent multiple delegations to Viet Nam to

directly meet with relevant parties and discuss potential investment and loan projects in the country.

3. Bilateral cooperation



Bilateral cooperation continued to be strengthened and promoted.

In line with the Party and Government's policy and direction to proactively and actively participate in economic integration, the SBV continued to promote bilateral cooperation in 2023 and achieved several notable results, including: **(1)** Successfully organizing Bilateral Governor-level Conferences and regular meetings of working groups on banking cooperation with traditional partners; **(2)** Signing six Memorandums of Understanding/Cooperation Agreements with central banks and banking supervisory agencies from countries such as Laos, South Korea, Egypt, Japan, and Germany, providing a framework for multifaceted cooperation between the SBV and central banks or monetary authorities in various areas, including joint cooperation, financial innovation, payment connectivity, and promoting local currency payments; **(3)** Implementing pilot projects on bilateral payment connectivity in retail using quick response (QR) code technology with regional countries. These projects lay the groundwork for the SBV to expand bilateral retail payment connectivity between Viet Nam and other regional countries. The aim is to provide citizens, tourists, and merchants from both sides with cheaper, faster, safer, and more convenient payment methods while promoting local currency payments, thereby boosting trade and tourism activities between Viet Nam and these countries. These projects are part of broader initiatives to foster cooperation on financial innovation and digital transformation in the banking sector between the SBV and central banks of other countries; **(4)** Maintaining and developing practical and effective cooperation channels with partner countries. The form and content of cooperation have become increasingly diverse, keeping pace with new developments and meeting the needs of all parties. The SBV has established regular policy dialogue channels with partner countries to explore and develop potential cooperation areas, mobilize timely technical assistance, and policy advice for the central bank and the banking sector as a whole. The SBV has also provided technical assistance and other cooperation programs to traditional partners; **(5)**

Proactively proposing cooperation topics in banking at bilateral cooperation forums and committees of the Government with countries worldwide to establish and maintain mechanisms for exchanging information on the legal framework and market information. This aims to encourage Vietnamese commercial banks to enhance their role in supporting trade, investment, and remittances for investors, businesses, and Vietnamese citizens with international partners.

A horizontal graphic with a light gray rounded rectangle in the center, flanked by two blue semi-circles on the left and right sides.

APPENDIX

APPENDIX 1: INTEREST RATES ANNOUNCED BY THE SBV

Unit: % p.a

Time	Refinancing rate	Rediscount rate	Overnight lending rate in interbank electronic payment
December 2022	6.00	4.50	7.00
January 2023	6.00	4.50	7.00
February 2023	6.00	4.50	7.00
March 2023	6.00	3.50	6.00
April 2023	5.50	3.50	6.00
May 2023	5.00	3.50	5.50
June 2023	4.50	3.00	5.00
July 2023	4.50	3.00	5.00
August 2023	4.50	3.00	5.00
September 2023	4.50	3.00	5.00
October 2023	4.50	3.00	5.00
November 2023	4.50	3.00	5.00
December 2023	4.50	3.00	5.00

Source: the SBV

APPENDIX 2: OPEN MARKET OPERATIONS

Bid	2023
Number of sessions	249
Maturity (days)	7; 14; 28; 35
Number of members	330
Average bidding volume/session (VND billion)	1,587
Average success volume/session (VND billion)	1,551
Interest rate (% p.a.)	4.0-6.0
Ask	2023
Number of sessions	73
Maturity (days)	7; 14; 28; 91
Number of members	647
Average bidding volume/session (VND billion)	26,875
Average success volume /session (VND billion)	12,765
Interest rate (% p.a.)	0.49-6.0

Source: the SBV

APPENDIX 3: REQUIRED RESERVE RATIO (*)

Unit: %

Effective time	VND DEPOSIT (**)		FOREIGN CURRENCY DEPOSITS (****)					
	Demand and less than 12 month deposits	12 month and up deposits	Demand and less than 12 month deposits		12 month and up deposits		Other CIs	Credit institutions' overseas deposits (***)
			Viet Nam's Bank for Agriculture and Rural Development (VBARD), Cooperative Bank	Other CIs	Viet Nam's Bank for Agriculture and Rural Development (VBARD), Cooperative Bank	Other CIs		
May 2011	3	1	5	6	3	4		
June 2011	3	1	6	7	4	5		
September 2011	3	1	7	8	5	6		1

(*) Excluding PCFs, microfinance institutions which apply the reserve requirement ratio of 0 percent for all types of deposits; policy banks apply the reserve requirement ratio according to the Government's regulations (which was currently 0 percent).

(**) CIs with an average density of lending for agricultural and rural development of 40 percent and over may apply lower reserve requirement ratio than the above reserve requirement ratio as prescribed by the SBV on guiding the implementation of measures to operate monetary policy tools to support CIs to lend for agricultural and rural development (which was currently Circular No. 14/2018/TT-NHNN dated May 29, 2018).

(***) CIs operating in Viet Nam calculate reserve requirement for deposits received from foreign CIs (CIs established and operating abroad) starting from September 2011 (according to Circular No. 27/2011/TT-NHNN) August 31, 2011).

(****) Deposits in VND and in foreign currencies of the core deposits subject to the RR are specified in: (1) Regulations on required reserve for CIs and guiding documents that are amended, supplemented before February 2020; (2) Circular No. 30/2019/TT-NHNN dated December 27, 2019 from March 2020 until now.

Source: the SBV

APPENDIX 4: BALANCE OF PAYMENT

Unit: USD Million

	2022	2023
A. CURRENT ACCOUNT	1,404	25,090
Goods: Export F.O.B	371,715	354,671
Goods: Import F.O.B	342,315	310,708
<i>Goods (net)</i>	29,400	43,963
Services: Export	13,526	19,594
Service: Import	27,429	29,059
<i>Service (net)</i>	-13,903	-9,465
Investment income (Primary income): Receipts	2,321	4,551
Investment income (Primary income): Payment	22,049	27,014
<i>Investment income (Primary income) (net)</i>	-19,728	-22,463
Current transfers (Secondary income): Receipts	12,287	16,112
Current transfers (Secondary income): Payment	6,652	3,057
<i>Current transfers (Secondary income) (net)</i>	5,635	13,055
B. CAPITAL ACCOUNT	0	0
Capital account: Receipts	0	0
Capital account: Payment	0	0
C. FINANCIAL ACCOUNT	9,470	-2,842
Direct Investment Abroad: Assets	-2,674	1,500
Direct Investment in Viet Nam: Liabilities	17,900	18,500
<i>Direct Investment (net)</i>	15,226	20,050
Portfolio Investment Abroad: Assets	2	-34
Portfolio Investment in Viet Nam: Liabilities	1,510	-1,155
<i>Portfolio Investment (net)</i>	1,512	-1,189
Other Investment: Assets	-13,663	-14,341
Cash and deposits	-13,750	-14,171
CIs	-4,750	-6,671
Other sectors	-9,000	-7,500
Loans	0	0
Trade credit and advances	0	0
Other receivables/payables	87	-170
Other Investment: Liabilities	6,395	-7,362
Cash and deposits	325	-4,159
CIs and the SBV	184	-4,159
Other sectors	141	0
Borrowing and repayment of external debts	6,070	-3,203
Short term	3,915	-1,647
Debt	37,494	25,150
Amortization	-33,579	-26,797
Long term	2,155	-1,556
Debt	15,620	14,232
Government's debt	1,693	1,257
Private debt	13,927	12,975
Amortization	-13,465	-15,788
Repayment of Government	-2,747	-2,591
Repayment of Privatization	-10,718	-13,197
<i>Other Investment (net)</i>	-7,268	-21,703
D. ERRORS AND OMISSIONS	-33,619	-16,640
E. OVERALL BALANCE	-22,745	5,608
F. RESERVES AND OTHER ITEMS	22,745	-5,608
Reserve assets	22,745	-5,608
Claims on and borrow from the IMF	0	0
Special Finance	0	0

Source: the SBV

APPENDIX 5: VND/USD EXCHANGE RATE

Unit: VND/USD

2023	Exchange rate end-month			Average exchange rate for the month		
	Central exchange rate	Vietcombank's listed exchange rate		Central exchange rate	Vietcombank's listed exchange rate	
		Buy	Sell		Buy	Sell
January	23,609	23,280	23,620	23,605	23,301	23,626
February	23,644	23,600	23,940	23,630	23,475	23,815
March	23,600	23,290	23,630	23,622	23,423	23,763
April	23,639	23,290	23,630	23,615	23,300	23,640
May	23,714	23,310	23,650	23,665	23,296	23,636
June	23,800	23,410	23,750	23,727	23,343	23,683
July	23,758	23,515	23,855	23,762	23,496	23,836
August	23,977	23,900	24,240	23,881	23,704	24,044
September	24,089	24,120	24,460	24,036	24,067	24,407
October	24,087	24,390	24,730	24,084	24,309	24,649
November	23,891	24,090	24,430	23,983	24,140	24,480
December	23,866	24,080	24,420	23,919	24,098	24,438

Source: the SBV, Vietcombank.

Note: Listed Exchange Rate was the amount of VND to exchange with USD 1

APPENDIX 6: DOMESTIC GOLD PRICE

Unit: VND Million/tael

2023	Gold price end-month	Average gold price in the month
January	66.81	66.83
February	66.43	66.78
March	66.76	66.64
April	66.86	66.74
May	66.71	66.81
June	66.63	66.72
July	66.91	66.83
August	67.91	67.27
September	68.52	68.45
October	70.37	69.64
November	73.06	70.57
December	73.58	74.80

Source: the SBV

APPENDIX 7: CONSUMER PRICE INDEX

Unit: %

Year	Time	January	February	March	April	May	June	July	August	September	October	November	December
2019	Year to date	0.10	0.90	0.69	1.00	1.50	1.41	1.59	1.87	2.20	2.79	3.78	5.23
	Month on month	0.10	0.80	-0.21	0.31	0.49	-0.09	0.18	0.28	0.32	0.59	0.96	1.40
	Year on year	2.56	2.64	2.70	2.93	2.88	2.16	2.44	2.26	1.98	2.24	3.52	5.23
	Average year on year	2.56	2.60	2.63	2.71	2.74	2.64	2.61	2.57	2.50	2.48	2.57	2.79
2020	Year to date	1.23	1.06	0.34	-1.21	-1.24	-0.59	-0.19	-0.12	0.01	0.09	0.08	0.19
	Month on month	1.23	-0.17	-0.72	-1.54	-0.03	0.66	0.40	0.07	0.12	0.09	-0.01	0.10
	Year on year	6.43	5.40	4.87	2.93	2.40	3.17	3.39	3.18	2.98	2.47	1.48	0.19
	Average year on year	6.43	5.91	5.56	4.90	4.39	4.19	4.07	3.96	3.85	3.71	3.51	3.23
2021	Year to date	0.06	1.58	1.31	1.27	1.43	1.62	2.25	2.51	1.88	1.67	2.00	1.81
	Month on month	0.06	1.52	-0.27	-0.04	0.16	0.19	0.62	0.25	-0.62	-0.20	0.32	-0.18
	Year on year	-0.97	0.70	1.16	2.70	2.90	2.41	2.64	2.82	2.06	1.77	2.10	1.81
	Average year on year	-0.97	-0.14	0.29	0.89	1.29	1.47	1.64	1.79	1.82	1.81	1.84	1.84
2022	Year to date	0.19	1.20	1.91	2.09	2.48	3.18	3.59	3.60	4.01	4.16	4.56	4.55
	Month on month	0.19	1.00	0.70	0.18	0.38	0.69	0.40	0.005	0.40	0.15	0.39	-0.01
	Year on year	1.94	1.42	2.41	2.64	2.86	3.37	3.14	2.89	3.94	4.30	4.37	4.55
	Average year on year	1.94	1.68	1.92	2.10	2.25	2.44	2.54	2.58	2.73	2.89	3.02	3.15
2023	Year to date	0.52	0.97	0.74	0.39	0.40	0.67	1.13	2.02	3.12	3.20	3.46	3.58
	Month on month	0.52	0.45	-0.23	-0.34	0.01	0.27	0.45	0.88	1.08	0.08	0.25	0.12
	Year on year	4.89	4.31	3.35	2.81	2.43	2.00	2.06	2.96	3.66	3.59	3.45	3.58
	Average year on year	4.89	4.60	4.18	3.84	3.55	3.29	3.12	3.10	3.16	3.20	3.22	3.25

Source: the GSO

APPENDIX 8: MONETARY AND CREDIT INDICATORS

Items	2022	March 2023	June 2023	September 2023	December 2023
Outstanding (VND billion)					
1. Total liquidity	14,226,931	14,415,021	14,754,221	15,026,012	15,998,956
2. Deposit of resident economic entities and individuals	12,874,021	13,095,732	13,474,829	13,744,148	14,573,389
3. Claims to the economy	11,926,683	12,232,354	12,487,913	12,755,351	13,569,733
Annual percentage change					
1. Total liquidity	6.15	1.32	3.71	5.62	12.46
2. Deposit of resident economic entities and individuals	8.35	1.72	4.67	6.76	13.20
3. Claims to the economy	14.20	2.56	4.71	6.95	13.78

Source: the SBV

Source: the SBV

APPENDIX 9: GROSS DOMESTIC PRODUCT

Year	GDP at Current Price (VND billion)	GDP Growth* (percent)	GDP Per Capita (VND thousand)
2015	5,191,324	6.99	56,288
2016	5,639,401	6.69	60,476
2017	6,293,905	6.94	66,753
2018	7,009,042	7.47	73,482
2019	7,707,200	7.36	79,881
2020	8,044,386	2.87	82,437
2021	8,487,476	2.55	86,200
2022	9,548,738	8.12	96,000
2023	10,221,815	5.05	101,900

Source: the GSO

Note: * Calculated based on 2010 constant prices

BÁO CÁO THƯỜNG NIÊN

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