



Money 360

April 11, 2017

Mr. Vi Phuc Tran

04/03/2017 – 04/10/2017

MARKET OVERVIEW

Military strike order from the US on Syria as a retaliation for the usage of biological weapon against civilians caused gold price to rally world wide. Japanese Yen also rised on demand for safe haven. Donald Trump demonstrated his readiness to take on military measurements when required suggests that he might take on the same approach when addressing future disputes agaisnt North Korea and the Islamic State. If such scenarios become reality, Gold and JPY would appreciate on fundamentally and sentimentally.

Another possible bullish drive for gold is the France Election on the 23rd of April, seeing how vital this election is for the future of the EU, and the yet to be implemented Fiscal Policy from the US. Gold, JPY and the green note are posing downward pressures on the EU currency and Assets. Fundamentally speaking, the bullish supports for the EU are not that significant when compared with Japan and US economies and can easily be outperformed even if the ECB decided to curb back on QE program (which is unlikely for the mean time).

A recent remark from Janet Yellen stated that the FED's interest rate approach was to keep the growth steady instead of overheating The CPI is still slightly below target and the Unemployment rate could also have little more room (US saw their retail jobs at recession level high last week). The earlier anticipation of a 2-3 rate hikes in 2017 is thus enforced. The only possible changing factor is the Tax Policy from the White House.

At the same time, ECB announced their plan to carry on the assets purchasing program with EUR 60bln/ month until the end of the year. Borrowing rates and lending rates kept the status quo. EUR thus facing downward risks politically, with minor bullish supports economically.

Within the borders, USD/VND exchange rates witnessed 3 consecutive weeks of rising reference rates from the SBV whilst the trading rates on both interbank and black market decreased. No pressures for the moment, we are at the moment safely hedged for possible volatilities.

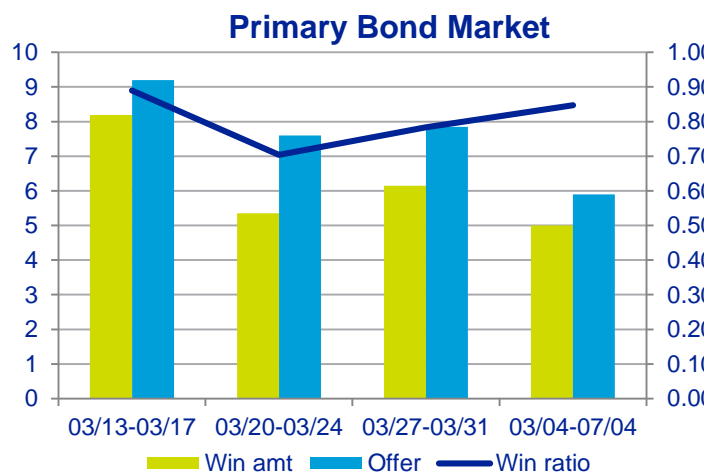
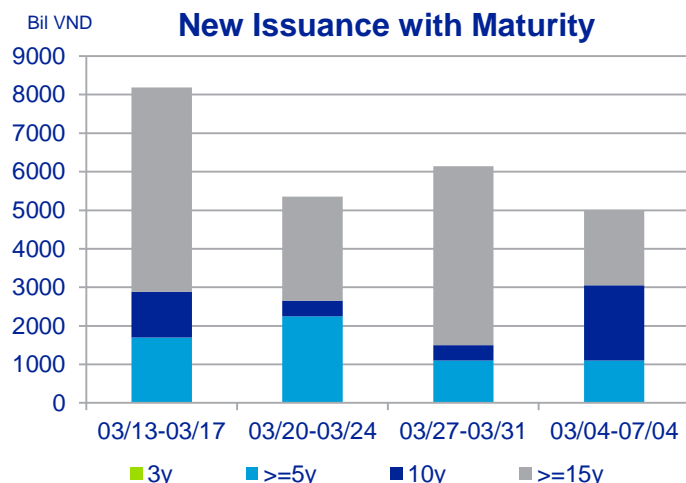
A visible trend for the recent weeks was the high demands for long term VGBs. Unlike previous months when most VGBs are highly absorbed both on short and long terms, lately tendency of undesired short term VGBs reflects a lack of funds excessiveness within depository institutions.

Looking on the interbank market, the relatively wider gap between lending & depositing rates suggests the same lack of excess funds between the banks with no liquidity strains. Transaction on OMO market remained stable with almost no changes. Banks are on high demand for extra funds to expand operation without having much of operating liquidity issue. We can expect a decent performance for 2017 coming from the banking sector.

With all that covered, we wish you another successful trading week. Please mark your calendar on the 23rd of April, thank you

VGB-GGB MARKET

PRIMARY BOND MARKET



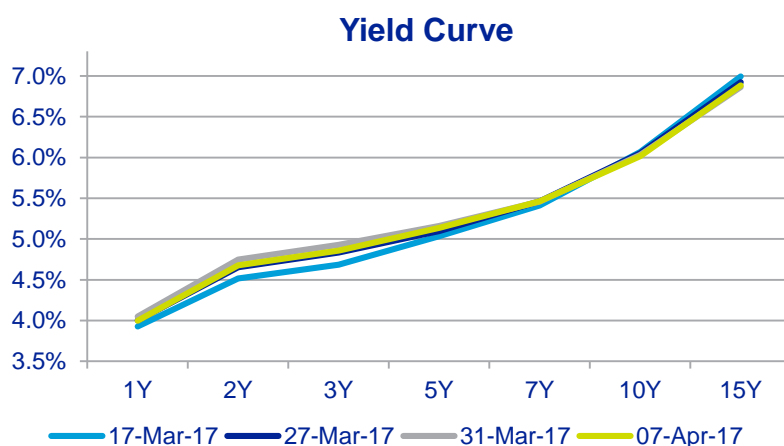
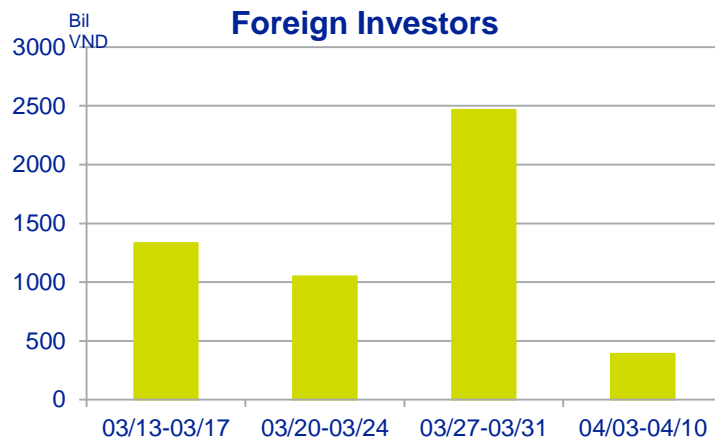
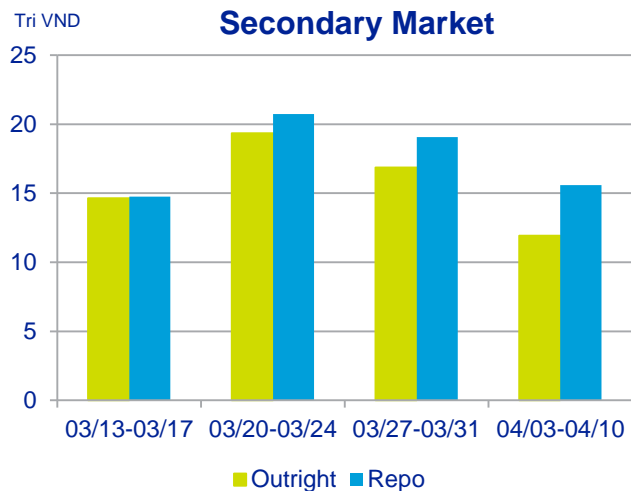
Source: HNX, ACBS

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Bond Issuance Schedule This Week

04/03/2017- 04/07/2017				
Issuer	Offer Amount	Issue Date	Maturity	Tenor
State Treasury	1,000,000,000,000	4/13/2017	3/23/2024	7
State Treasury	2,000,000,000,000	4/13/2017	4/7/2047	30
State Treasury	1,000,000,000,000	4/13/2017	3/16/2032	15
State Treasury	1,000,000,000,000	4/13/2017	3/9/2022	5
State Treasury	1,000,000,000,000	4/13/2017	3/30/2037	20

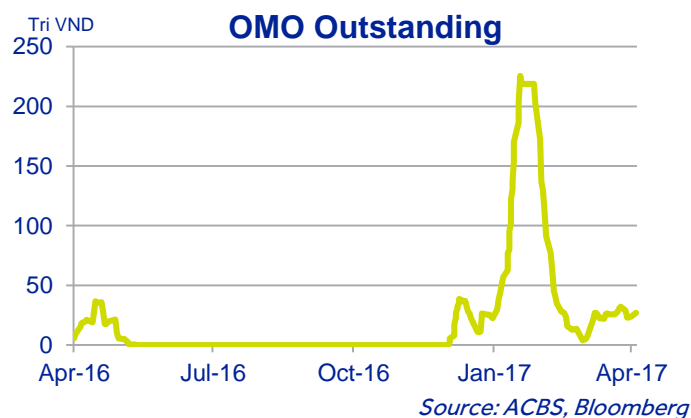
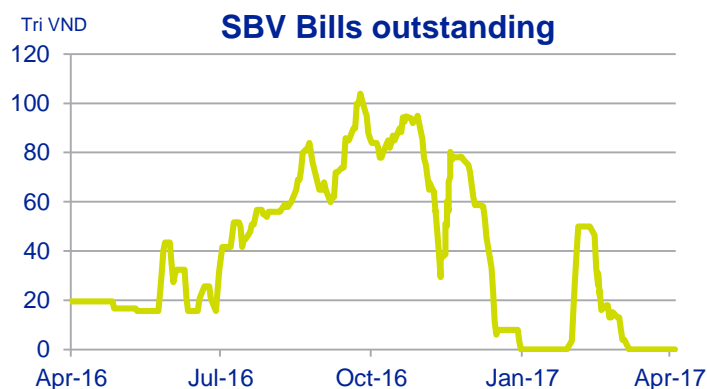
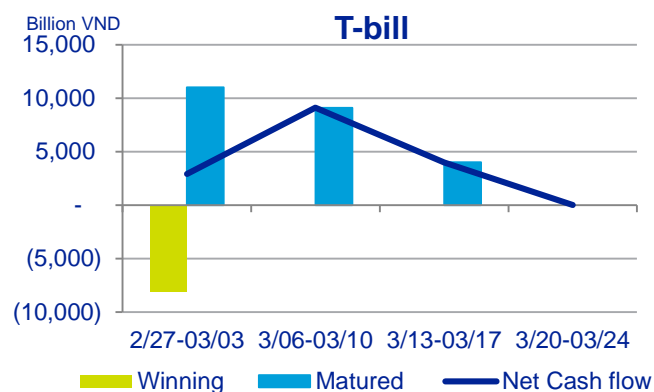
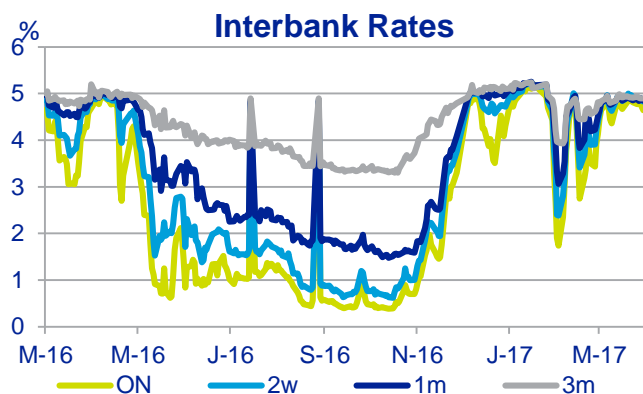
SECONDARY BOND MARKET



Source: HNX, VBMA, ACBS

A decline in net bond purchase from foreign investors (VND 389bln) overall fall in trading volume without much changes on the yield curve. Bond market seems to be rather sluggish lately. Funds have been hording to other investment channels.

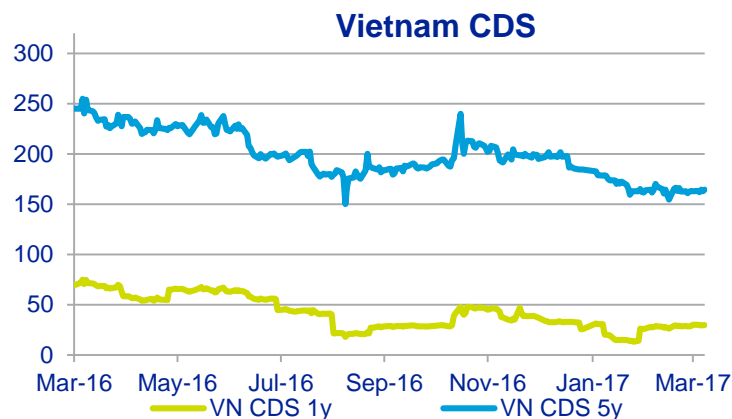
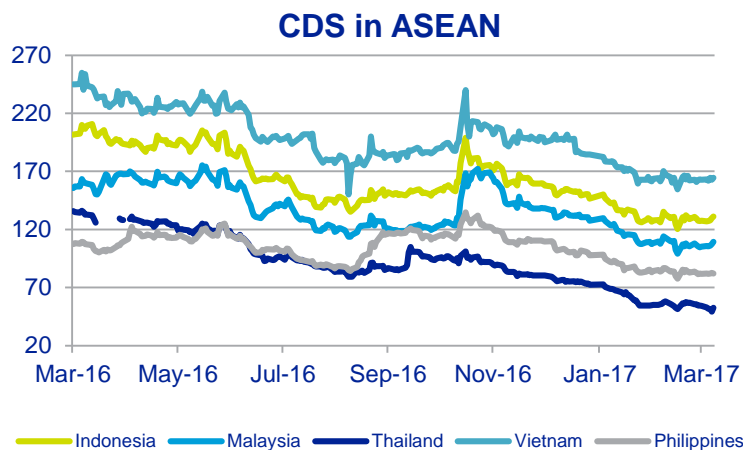
MONEY MARKET



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OTHER MARKETS

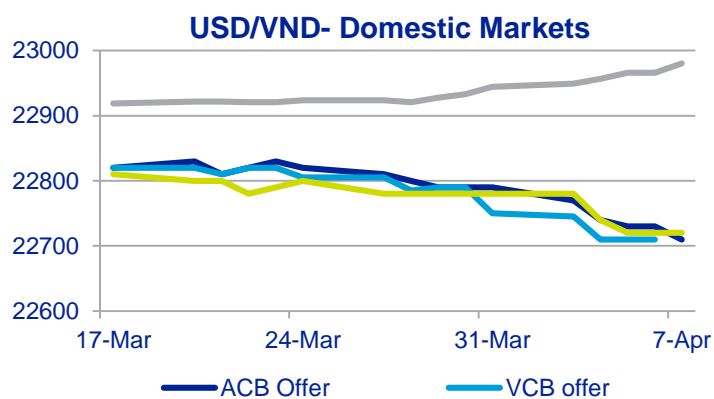
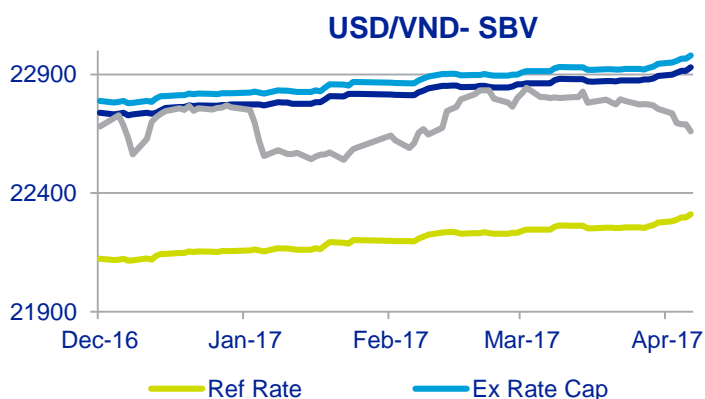
SOVEREIGN CDS



Source: Bloomberg

Nothing changed on the CDS market. Vietnam remains a decent long term investment market

FOREX MARKET



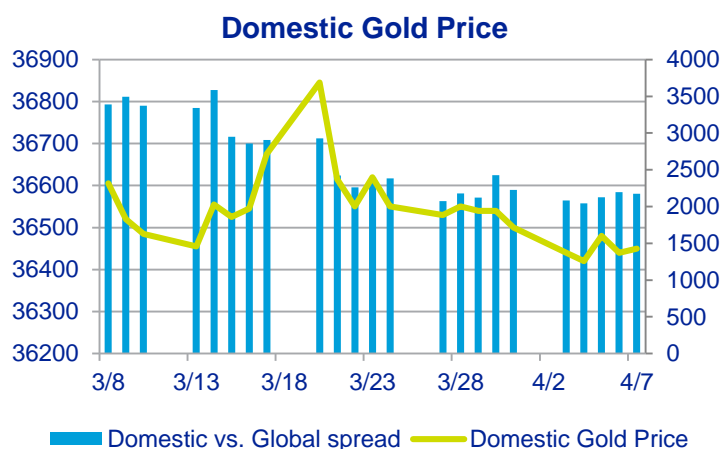
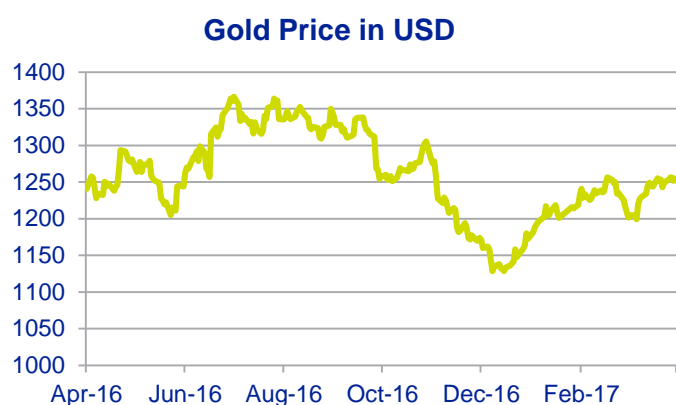
Source: SBV, Bloomberg

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GOLD MARKET



Source: Bloomberg, ACB.

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APPENDIX

FX rate	USD		EUR		JPY	
Date	Bid	Ask	Bid	Ask	Bid	Ask
03-Apr-17	22,680	22,750	24,037.43	24,324.82	201.04	204.88
04-Apr-17	22,665	22,745	24,023.81	24,311.05	202.48	206.35
05-Apr-17	22,640	22,710	24,037.07	24,324.49	201.91	205.76
06-Apr-17	22,640	22,710	24,037.07	24,324.49	201.91	205.76
07-Apr-17	22,640	22,710	23,947.82	24,234.17	202.21	206.07
10-Apr-17	22,640	22,710	23,806.00	24,090.65	200.59	204.43

Source: Vietcombank

Deposit Interest Rate	2 weeks	1 month	3 months	6 months	1 year	2 years
03/28/2017	1%	4.90%	5.10%	5.60%	6.30%	6.60%

Source: ACB

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