

Despite being strongly affected by the COVID-19 pandemic, bank loans in the first nine months of this year kept rising compared to the same period last year, deputy governor of the State Bank of Vietnam (SBV) Đào Minh Tú said.



People wearing face masks at a lending transaction in M^ỹ Đ^{ồng} c District, Hà N^{ội}. VNA/VNS
Photo Tr^{ần} Vi^{ệt} t

HÀ N^{ỘI} I — Despite being strongly affected by the COVID-19 pandemic, bank loans in the first nine months of this year kept rising compared to the same period last year, deputy governor of the State Bank of Vietnam (SBV) Đào Minh Tú said.

During a press conference held on Tuesday, Tú said as of October 7, the credit of the whole banking system increased by 7.42 per cent compared to the end of last year. The number was also higher than the 5.48 per cent growth rate in the same period in 2020.

This was a good result as the demand for capital of the economy still increased amid the pandemic in the country, he said.

According to Tú, the deposit and lending interest rates at the end of August 2021 continued to decrease compared to December 2020. By the end of September 2021, credit institutions lent new loans worth more than VNĐ5.2 quadrillion for 800,000 customers with lower interest rates than before the pandemic.

Besides, banks also exempted and reduced lending interest rates for nearly VNĐ2.5 quadrillion in loans of 1.7 million customers who were affected by the pandemic.



Deputy governor of the State Bank of Vietnam (SBV) Đào Minh Tú speaks at the event.
VNA/VNS Photo

From January 23, 2020 to the end of September 2021, banks exempted and reduced interest rates worth about VNĐ27 trillion for customers.

Sixteen commercial banks, which account for 75 per cent of the total outstanding loans of the economy, reduced lending interest rates worth VNĐ11.8 trillion for customers according to their commitments with the Vietnam Banking Association from July 15, 2021 to the end of September 30, 2021.

By the end of September 2021, banks also restructured debt repayment terms for 278,000 customers with total loans of VNĐ238 trillion.

Tú reported during the first nine months of the year, the exchange rate and the foreign currency market remained relatively stable with good liquidity, meeting all legal foreign currency needs of individuals and firms.

Regarding the central bank's credit management, Tú said the SBV would continue to implement credit solutions to control the credit size in line with the set targets while also improving credit

quality and controlling inflation.

In order to implement the loan package for customers to pay their employees' salaries according to the Government's Resolution 68/NQ-CP, Tú said the SBV refinanced VND462 billion for the Bank for Social Policies (VBSP) to lend to 918 customers to pay salaries for 130,741 employees by the end of September 2021.

To create more favourable conditions for firms to have access to the loan package, Tú said the SBV, in coordination with relevant ministries and agencies, has so far also proposed the Government to not require firms to have no bad debts and have the 2020 tax finalisation to qualify for the package.

According to Tú, in the context of the pandemic, non-cash payment has been chosen by many people and firms. In the first eight months of 2021, the total number of transactions via the interbank electronic payment system increased by 3.32 per cent in volume and 41.37 per cent in value compared to the same period of 2020. Payment via the internet, mobile and QR code channels increased by 54.13 per cent, 74.98 per cent and 66.81 per cent in quantity and 30.70 per cent, 93.69 per cent and 133.12 per cent in value, respectively, against the same period last year.

He said based on the targets of the National Assembly and the Government on the socio-economic development plan for 2021, the SBV will continue to operate a proactive and flexible monetary policy in order to control inflation, maintain macroeconomic stability and support rapid economic recovery.

Source: *VNN*