

A/ ASSIGNMENT RECAP

- Write a 1000 word analytical report examining the money and debt markets of an assigned developed Asia-Pacific country,
- Answering questions on government budget balances and monetary policy
- Comparing payment systems and bond yields between the country and Vietnam in order to recommend an investment.

Structure:

- I. **Question 1 (Suggested 400 words)**
- II. **Question 2 (Suggested 600 words)**

B/ KEYWORD EXPLANATIONS

1. Government Budget Balance

The difference between government revenue and spending over a fiscal year. Surplus if revenue exceeds spending; deficit if spending is higher. Budget balances indicate whether the economy is strong with extra government money or weak with debt funding needed.

2. Monetary Policy

Central bank actions to regulate money supply, interest rates, and inflation through tools like open market operations and reserve requirements.

3. Payment System

A country's payment system refers to the entire infrastructure and set of arrangements in place to facilitate the transfer of funds or value between individuals, businesses, and institutions within that country. It plays a crucial role in the functioning of the economy and the financial system.

4. Treasury Bonds

Treasury bonds, also known as T-bonds, are long-term debt securities issued by the government to raise funds. These bonds have a fixed interest rate and a maturity date, typically ranging from 10 to 30 years. Investors purchase Treasury bonds, and in return, they receive periodic interest payments and the bond's face value at maturity.

5. Treasury Rates

Treasury rates, often referred to as Treasury yields or yields on Treasury securities, represent the interest rates paid on government debt securities, including Treasury bills, notes, and bonds. These rates are determined by the market and fluctuate based on supply and demand dynamics and economic conditions.

6. Bond Yield

Bond yield refers to the annual income an investor can earn from a bond investment, expressed as a percentage of the bond's face value. It represents the return an investor can expect to receive from the bond, considering both interest payments and potential changes in the bond's market price.

C/ FOOD FOR HUNGRY THOUGHTS

Based on your assigned role and chosen currency pairs, there are various of journal articles and reports to be explored. Below are some reliable sources for you to find relevant articles and reports to your chosen topics.

1. Payments 2025 and beyond: Evolution to revolution. Six macro trends shaping the future of payments in Vietnam (PWC Vietnam publications) - <https://www.pwc.com/vn/en/publications/vietnam-publications/payments-2025-and-beyond.html>
2. Digital payment systems have massive growth potential: fintech leader (Việt Nam News) - <https://vietnamnews.vn/economy/talking-shop/1482511/digital-payment-systems-have-massive-growth-potential-fintech-leader.html>
3. Vietnam 10-Year Government Bond Yield (Trading Economics) - <https://tradingeconomics.com/vietnam/government-bond-yield>