

ECONOMIC  
AND  
FINANCIAL  
DATA

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1964 - 1972

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**REPUBLIC OF VIETNAM**

PREPARED BY :

**JOINT ECONOMIC OFFICE**

**USAID / VIETNAM**



## VIETNAMESE ECONOMY, 1964 - 1972

Attached for your interest is a series of charts and tables covering principal economic and financial trends during the period, 1964-72, grouped by area of activity. Each of the charts is followed by a table with supporting data, in addition to which there are separate tables providing time series data on various indicators of interest. Following are brief comments by subject area:

### A. Monetary

This section shows trends in the principal monetary indicators since 1964.

The increase in consumer prices has closely approximated the rise in money supply (defined as demand deposits plus currency in circulation) over the longer term, even though the two have varied widely over shorter intervals. Both increased considerably more rapidly during the earlier part of the period, the rates of increase from 1964 to mid-1970 being more than twice as rapid as from mid-1970 to 1972. In the latter period, money supply rose at an annual rate of 16 percent, prices by 17 percent.

The effect of the interest rate reform of September 1970 is shown dramatically in the chart, "Bank Credit Outstanding, Savings and Time Deposits." Savings and time deposits more than tripled, increasing by over VN\$100 billion, during 1970-72. Thus, even though the volume of credit extensions reached a new high in 1972, the banking sector through its credit and deposit operations exerted a net VN\$45 billion contractionary effect on the economy.

### B. GVN

The first chart shows GVN expenditures during 1964-72, divided into defense and all other, and the non-inflationary resources by which they were financed. The resource side is not confined to tax revenues, nor does the difference between expenditures and resources measure a "deficit" in the budgetary sense; rather, it depicts net resources available to the GVN through its tax, bond sale, and foreign exchange operations. Thus measured, the resource deficit in piaster terms increased steadily during 1969-72. Measured as a percentage of expenditures, however, the resource deficit in 1972 was only 14 percent, lowest but one of any year in the 1964-72 period.

The remaining two tables depict the trend of tax revenues since 1964. The focus swung from port revenues to tax revenues following the reforms of November 15, 1971 whereby import taxes were lowered (and

drastically simplified) concurrent with the major exchange rate adjustment at that time. Especially noteworthy was the 39 percent increase in domestic revenues achieved in 1972.

#### C. Balance of Payments

The lead table summarizes Vietnam's balance of payments during 1964-72 in a special format designed to show the role of U.S. support and its relation to the country's trade deficit. "Invisibles and other" items are computed as a residual after accounting for the change in foreign exchange reserves. Taking the entire nine-year period U.S. support has slightly exceeded the aggregated trade deficits, but since 1968, during which the trade deficit has held within a narrow range of \$653-702 million, the ratio of U.S. support to trade deficit has averaged 96 percent.

The second table shows U.S. import support in terms of constant 1964 dollars, making the point that measured in terms of what a dollar buys on the world market U.S. aid was lower in 1972 than in any year since 1965.

The first chart shows commercial imports by category of financing. Measured in nominal terms, imports have held very close to \$700 million throughout the past four years, with CIP imports taking an increasing share of the total and GVN-financed imports declining steadily. The latter, even in nominal terms, were at their lowest level last year since 1966.

Total commercial imports appear in index form on the succeeding chart deflated, first, for price increases, and second, for population growth. The accelerating rise in world commodity prices is evident in the widening gap between nominal and real imports during 1970-72. On a per capita basis, imports in 1972 were at their lowest level since 1965.

#### D. Exchange Rates

The first chart and supporting table show the movement of the principal exchange rates during the period 1964-72. From the time of the major devaluation in 1966-67 to the reform measures of 1970-72 there were no exchange rate changes. The upward trend in the effective import rate over this interval reflects increases in import taxes. By the end of 1972 the major exchange rates were unified (except for the bonus rate for exports) and fluctuating at a level believed realistic in terms of international price comparisons.

The table, "Average Effective Import Rate and Consumer Prices" compares the movement in the effective import rate with the consumer price index since 1965. In columns (3) and (4) the effective import

rate has been adjusted for the increase in dollar import costs to obtain in effect, a measure of "real effective import rate;" i.e., the devaluation of the import dollar in terms of what the dollar can actually buy. The rate of devaluation of this "real effective import rate" was 30.8 percent during the 1965-72 period, just short of the 32.4 percent rate of increase in consumer prices. During 1970-72, however, both the nominal and real effective import rate moved much more rapidly than consumer prices.

The two charts on black market exchange rates illustrate, first the precipitate increase in the black market dollar premium during 1969 and into 1970, as overvaluation of the piaster became increasingly pronounced; reform measures beginning in October 1970, to the point where it disappeared altogether during much of 1972.

The final table, "Per Capita Accommodations, 1968-72" illustrates one result of the exchange reform measures of 1970-71: the remarkable increase in the rate of legal dollar conversions by the U.S. forces. To be sure, other factors were at work to increase G.I spending on the economy (declining ratio of combat to rear-area forces, for one); still, the 1970-71 reforms had much to do with the fact that legal per capita monthly expenditures by the troops rose from around \$5 during 1969-70 to over \$90 in 1972. It is noteworthy that the decline in the black market premium, discussed above, occurred in spite of the concurrent reduction of dollar supply to the black market implied in the per capita spending data. Other things being equal, of course, diminished dollar supply would tend to increase the illegal rate.

The final chart, comparing dollar prices of gold in Saigon and Hong Kong, provides one further bit of evidence of the lessening of speculative pressures in the wake of the November 15, 1971 reforms. While rising in response to the worldwide trend, the Saigon gold price (measured at prevailing black market rates for the dollar) has been below the HongKong price since early 1972.

#### E. Rice

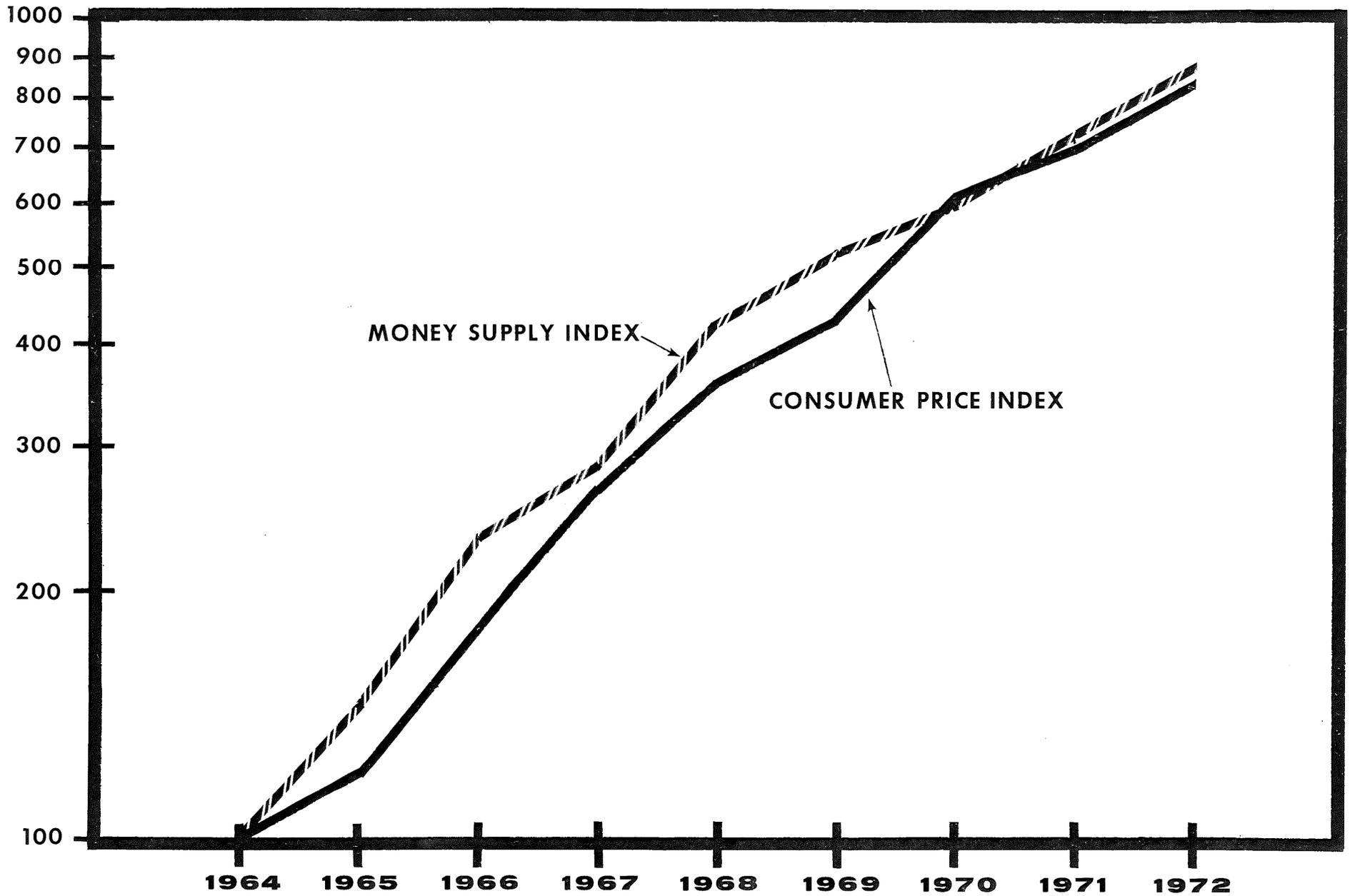
The first chart depicts the movement of paddy production as compared with hectareage under cultivation. The proportion of area taken out of cultivation for security reasons never exceeded ten percent, the low point being in 1968. Production increases began increasingly to outrun gains in restored hectareage with the widespread use of higher-yielding rice varieties beginning in 1969/70. Increase in production can be seen more dramatically in the succeeding chart comparing total rice availabilities (paddy production plus imports adjusted for changes in stocks) with population increase.

The final table compares Delta paddy prices with both retail rice prices and the consumer price index. Since 1965 prices received by the Delta rice farmer have risen more rapidly than retail prices, albeit with interruptions to the trend in 1968 and 1970.

A. MONETARY

# MONEY SUPPLY, CONSUMER PRICES

(1964=100)

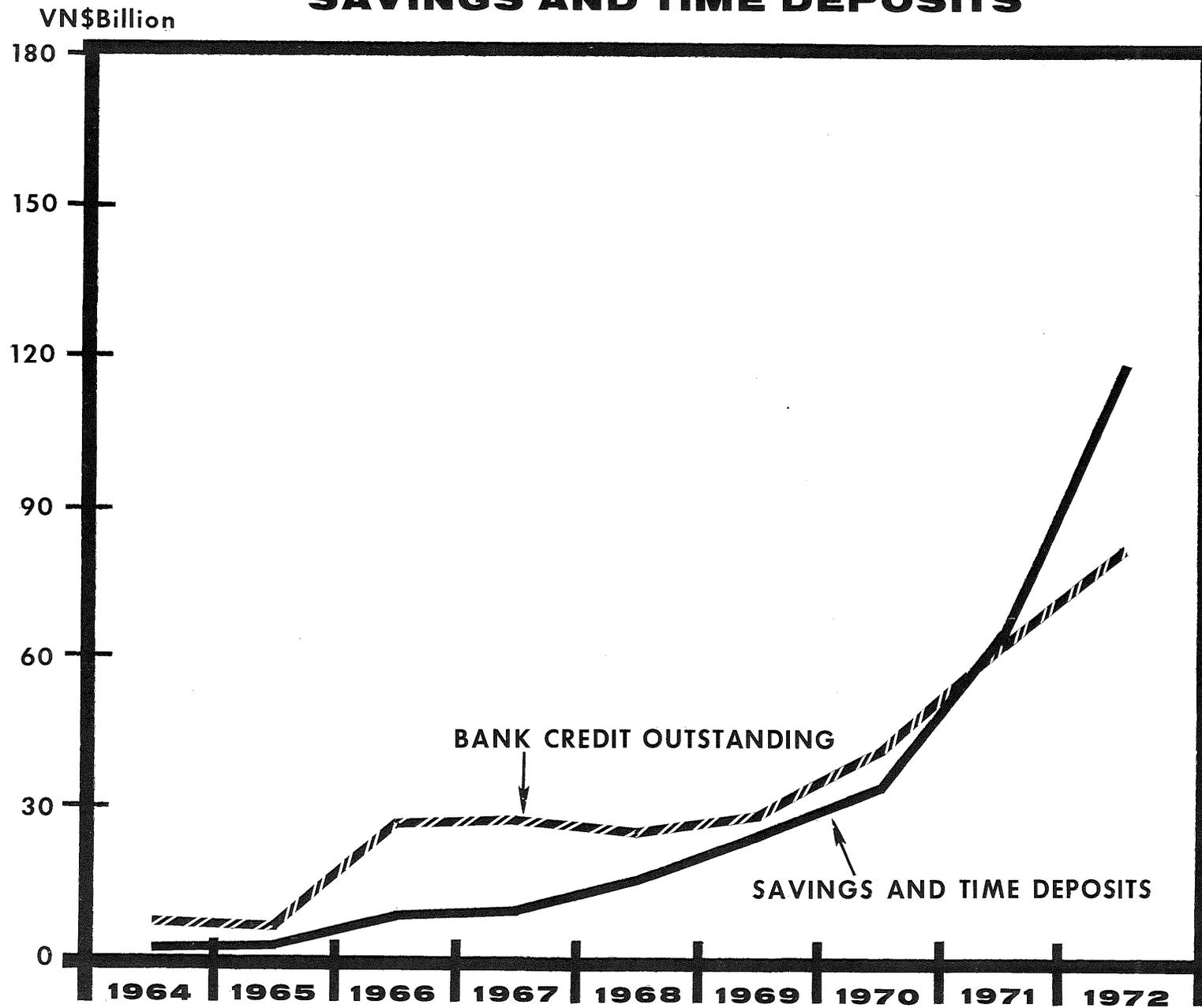


MONEY SUPPLY & CONSUMER PRICES  
(YEARLY AVERAGE BASIS, 1964 = 100)

<u>Year</u>	<u>Money Supply</u>		<u>Consumer Prices*</u>	
	<u>Index</u>	<u>Year to Year % Increase</u>	<u>Index</u>	<u>Year to Year % Increase</u>
1964	100		100	
1965	143	+ 43	119	+ 19
1966	231	+ 62	180	+ 51
1967	284	+ 23	265	+ 47
1968	429	+ 51	360	+ 36
1969	517	+ 21	428	+ 19
1970	596	+ 15	614	+ 43
1971	726	+ 22	691	+ 13
1972	874	+ 20	849	+ 23

\* National Institute of Statistics Working Class Retail Price Index, Without Rent for 1964-1965 and USAID Saigon Retail Price Index for 1966-1972.

# BANK CREDIT OUTSTANDING, SAVINGS AND TIME DEPOSITS



**BANK CREDIT OUTSTANDING, SAVINGS  
AND TIME DEPOSITS, 1964-1972**  
( VN\$ Billion )

	<u>Bank Credit Outstanding</u>	<u>Savings &amp; Time Deposits</u>
1964	7.2	2.2
1965	6.8	2.9
1966	28.8	8.3
1967	28.9	9.0
1968	26.4	15.4
1969	29.3	25.1
1970	42.1	33.6
1971	63.1	65.0
1972	88.6	135.1

Source: NBVN

MONEY SUPPLY, 1964-72  
(VN\$ Billions - End of Year)

<u>Year</u>	<u>Currency</u>	<u>Demand Deposits</u>	<u>Money Supply</u>
1964	19.0	8.4	27.4
1965	32.8	14.8	47.6
1966	46.0	17.4	63.4
1967	61.3	20.9	82.2
1968	91.8	32.3	124.1
1969	108.1	32.6	140.7
1970	125.9	37.0	162.9
1971	162.1	46.3	208.4
1972	183.7	44.1	227.8

Source: NBVN

MONEY SUPPLY, CREDIT, SAVINGS & TIME DEPOSITS  
(VN\$ Billions, Year-to-Year Changes)

<u>Year</u>	<u>Credit, Savings &amp; Time Deposits</u>			<u>Increase in Money Supply</u>
	<u>Increase in Credit</u>	<u>Increase in Savings and Time Deposits</u>	<u>Increase in Credit, Less Increase in Savings &amp; Time Deposits</u>	
1964	+ 0.2	+ 0.2	-0-	+ 5.1
1965	- 0.4	+ 0.7	- 1.1	+20.2
1966	+21.8	+ 5.4	+16.4	+15.8
1967	- 2.7	+ 0.7	- 3.4	+18.8
1968	- 0.5	+ 6.4	- 6.9	+41.9
1969	+ 2.9	+ 9.7	- 6.8	+16.6
1970	+12.8	+ 8.5	+ 4.3	+22.2
1971	+21.0	+31.4	-10.4	+45.5
1972	+25.5	+70.1	-44.6	+19.4

Source: NBVN

B.

GVN

# GVN EXPENDITURES AND RESOURCES

(VN\$Billion)

400

**GVN Exp.**

**GVN Resources**

ALL OTHER

SECURITY  
RELATED



TREASURY BOND SALES

SALES OF EXCHANGE FOR IMPORTS, NET

IMPORT REVENUE

DOMESTIC REVENUE

300

200

100

0

1964

1965

1966

1967

1968

1969

1970

1971

1972

29

23

44

20

59

46

98

78

121

77

133

116

187

156

256

209

355

304

GVN EXPENDITURES, RESOURCES, AND DEFICITS, 1964-1972  
( VN\$ Billion )

<u>ITEM</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
A. <u>GVN Expenditures</u>	<u>29</u>	<u>44</u>	<u>59</u>	<u>98</u>	<u>121</u>	<u>133</u>	<u>187</u>	<u>256</u>	<u>355</u>
1. Security Related	<u>16</u>	<u>25</u>	<u>35</u>	<u>65</u>	<u>86</u>	<u>106</u>	<u>145</u>	<u>191</u>	<u>251</u>
a) Min. of National Defense	14	22	30	55	74	92	122	151	205
b) Min. of Interior	2	3	5	9	11	13	17	22	27
c) Min. of War Veterans	0	0	0	1	1	1	6	18	19
2. All Other	<u>13</u>	<u>19</u>	<u>24</u>	<u>33</u>	<u>35</u>	<u>27</u>	<u>42</u>	<u>65</u>	<u>104</u>
B. <u>GVN Resources</u>	<u>23</u>	<u>20</u>	<u>46</u>	<u>78</u>	<u>77</u>	<u>116</u>	<u>156</u>	<u>209</u>	<u>304</u>
1. Domestic Revenue	8	10	17	25	28	37	52	69	95
2. Import Revenue	5	6	21	28	26	50	71	111	46
3. Sales of Exchange for Imports: Net	<u>9</u>	<u>2</u>	<u>8</u>	<u>24</u>	<u>17</u>	<u>24</u>	<u>30</u>	<u>11</u>	<u>126</u>
a) Exchange Sales	14	17	48	73	66	82	85	96	233
b) US Piaster Expenditures	-2	-13	-38	-47	-48	-56	-53	-81	-96
c) Exports	-3	-2	-2	-2	-1	-2	-2	-4	-11
4. Treasury Bond Sales	1	2	0	1	6	5	3	18	37
C. <u>Deficit (A-B)</u>	<u>6</u>	<u>24</u>	<u>13</u>	<u>20</u>	<u>44</u>	<u>17</u>	<u>31</u>	<u>47</u>	<u>51</u>
(% of Total Expenditures)	(21%)	(55%)	(22%)	(20%)	(36%)	(13%)	(17%)	(18%)	(14%)

Note: 1972 results partially estimated.

GVN TAX REVENUES  
( VN\$ Billions )

<u>Year</u>	<u>Domestic Revenues</u>	<u>Import Revenues</u>	<u>Total</u>
1964	8.1	5.1	13.2
1965	10.8	5.6	16.4
1966	16.8	25.9	42.7
1967	24.8	28.4	53.2
1968	27.3	26.7	54.0
1969	35.9	52.9	88.8
1970	51.9	74.3	126.2
1971	68.5	111.6	180.1
1972	95.0	46.2*	141.2

\* Lower figure in 1972 reflects economic reform program of Nov. 15, 1971 wherein bulk of revenue collections were shifted to the exchange rate.

GVN DOMESTIC REVENUES, 1971-72  
( VN\$ Billions)

<u>Category of Tax</u>	<u>1971</u>	<u>1972</u>	<u>% Increase</u>
<b>1. <u>Direct Taxes</u></b>			
a. Income	8.7	14.3	64.4
b. Patente	1.3	1.9	46.2
c. Other	--	0.1	--
Subtotal	<u>10.0</u>	<u>16.3</u>	<u>63.0</u>
<b>2. <u>Indirect and Excise Taxes</u></b>			
a. Production tax	12.7	16.3	28.3
b. Beer & beverages	8.4	9.4	11.9
c. Tobacco	11.6	17.7	52.6
d. Gasoline	3.6	3.8	5.6
Subtotal	<u>36.3</u>	<u>47.2</u>	<u>30.0</u>
e. Motor vehicle tax	0.3	0.3	-0-
f. Entertainment	0.8	0.9	12.5
g. War Victims surcharge	--	5.6	--
h. Other	0.4	0.7	75.0
Subtotal	<u>1.5</u>	<u>7.5</u>	<u>400.0</u>
<b>3. <u>Registration Taxes</u></b>			
a. Registration & Inheritance	2.6	2.9	11.5
b. Dividends	1.6	2.4	50.0
c. Super-rent	1.0	0.9	-10.0
d. Other	1.6	2.0	25.0
Subtotal	<u>6.8</u>	<u>8.2</u>	<u>20.6</u>
<b>4. <u>Administrative</u></b>	<u>13.9</u>	<u>15.8</u> <sup>(1)</sup>	<u>13.7</u>
<b>5. <u>Total</u></b>	<u>68.5</u>	<u>95.0</u>	<u>38.7</u>

Note: (1) Estimate based on data for 10 months

C. BALANCE OF PAYMENTS, IMPORTS

SIMPLIFIED BALANCE OF PAYMENTS, 1964-72  
( \$ Millions )

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
<b>A. <u>Balance of Trade</u></b>									
1. Exports	49	40	25	22	16	15	12	12	23
2. Commercial Imports, c.i.f.	<u>-233</u>	<u>-288</u>	<u>-572</u>	<u>-635</u>	<u>-548</u>	<u>-689</u>	<u>-692</u>	<u>-714</u>	<u>-678</u>
Balance of Trade	-184	-248	-547	-613	-532	-674	-680	-702	-655
<b>B. <u>U.S. Support</u></b>									
1. U.S. Aid	139	203	335	347	239	265	302	340	402
(CIP)	(105)	(155)	(259)	(194)	(101)	(177)	(181)	(259)	(284)
(PL-480 Title I)	( 34)	( 48)	( 76)	(153)	(138)	( 88)	(121)	( 81)	(118)
2. U.S. Piaster Purchases	11	53	333	327	311	347	318	403	229
(Official)	( 4)	( 14)	(233)	(212)	(256)	(301)	(278)	(271)	(152)
(Personal)	<u>( 7)</u>	<u>( 39)</u>	<u>(100)</u>	<u>(115)</u>	<u>( 55)</u>	<u>( 46)</u>	<u>( 40)</u>	<u>(132)</u>	<u>( 77)</u>
Total U.S. Support	150	256	668	674	550	612	620	743	631
<b>C. <u>Net Invisibles and Other</u></b>	-5	31	16	-39	-24	-7	18	-36	11
<b>D. <u>Change in GVN Reserves</u></b>	-39	+39	+137	+22	+14	-55	-42	+5	-13

Notes: A. 2. GVN financed, CIP, and P.L. 480 Title I imports only; excluding Project and P.L. 480 Title II aid.

B. 1. Data refer to import payments in calendar year indicated. Thus, CIP data do not correspond precisely to Congressional authorization data, even apart from the fact that the latter are always stated on a U.S. fiscal year basis.

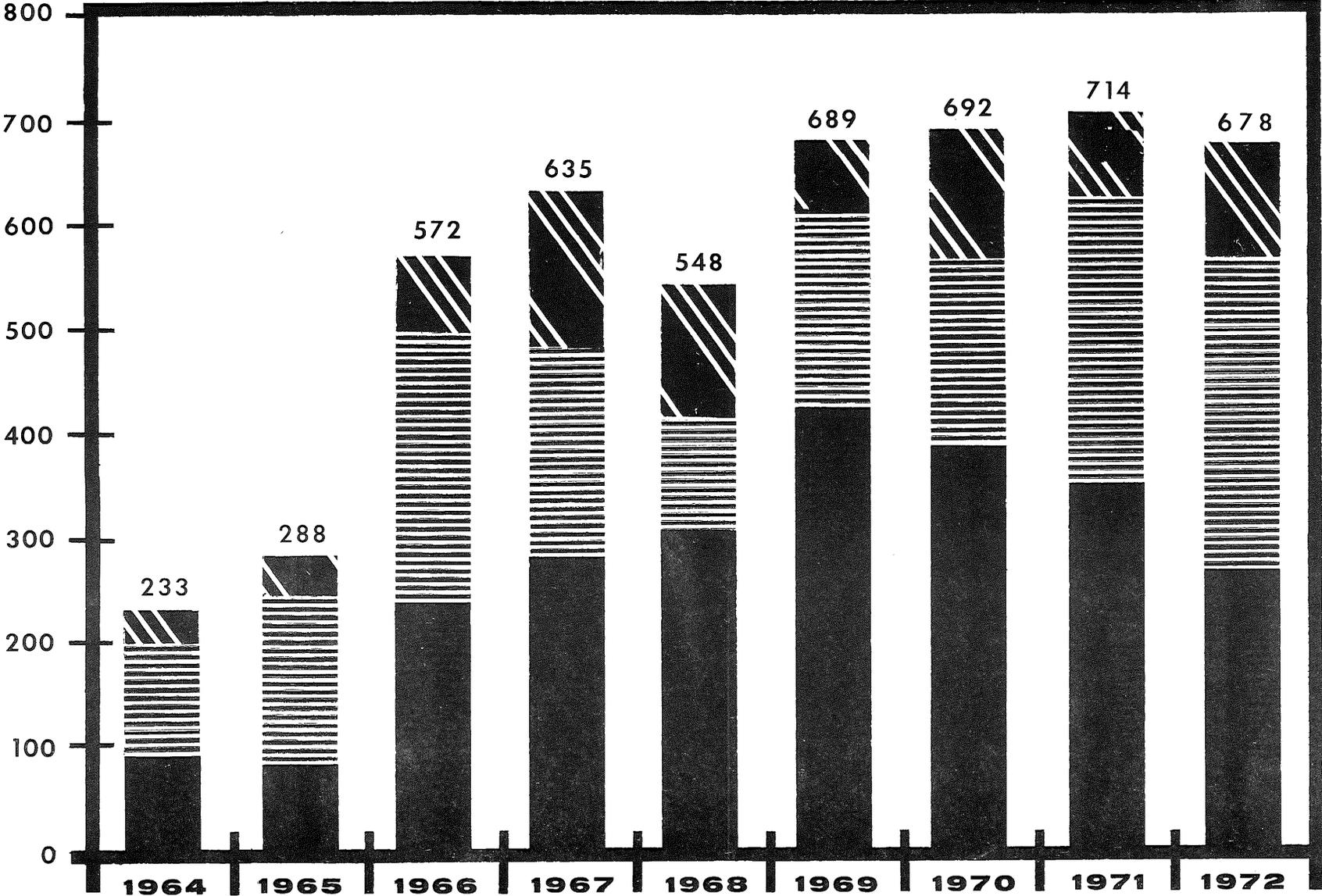
U.S. IMPORT SUPPORT, NOMINAL AND REAL TERMS

	<u>U.S. Support</u> <u>(\$ Millions)</u>	<u>Import Price Index</u> <u>(1964 = 100)</u>	<u>U.S. Support</u> <u>(1964 U.S. Dollars)</u>
1964	150	100.0	150
1965	256	99.6	257
1966	668	101.1	661
1967	674	103.9	649
1968	550	104.2	528
1969	612	105.7	579
1970	620	110.1	563
1971	743	115.7	642
1972	631	125.3	504

Note: U.S. Support defined as U.S. financed imports (CIP & P.L. 480 Title I) plus U.S. sector piaster purchases.

# COMMERCIAL IMPORTS

(US\$ Million)

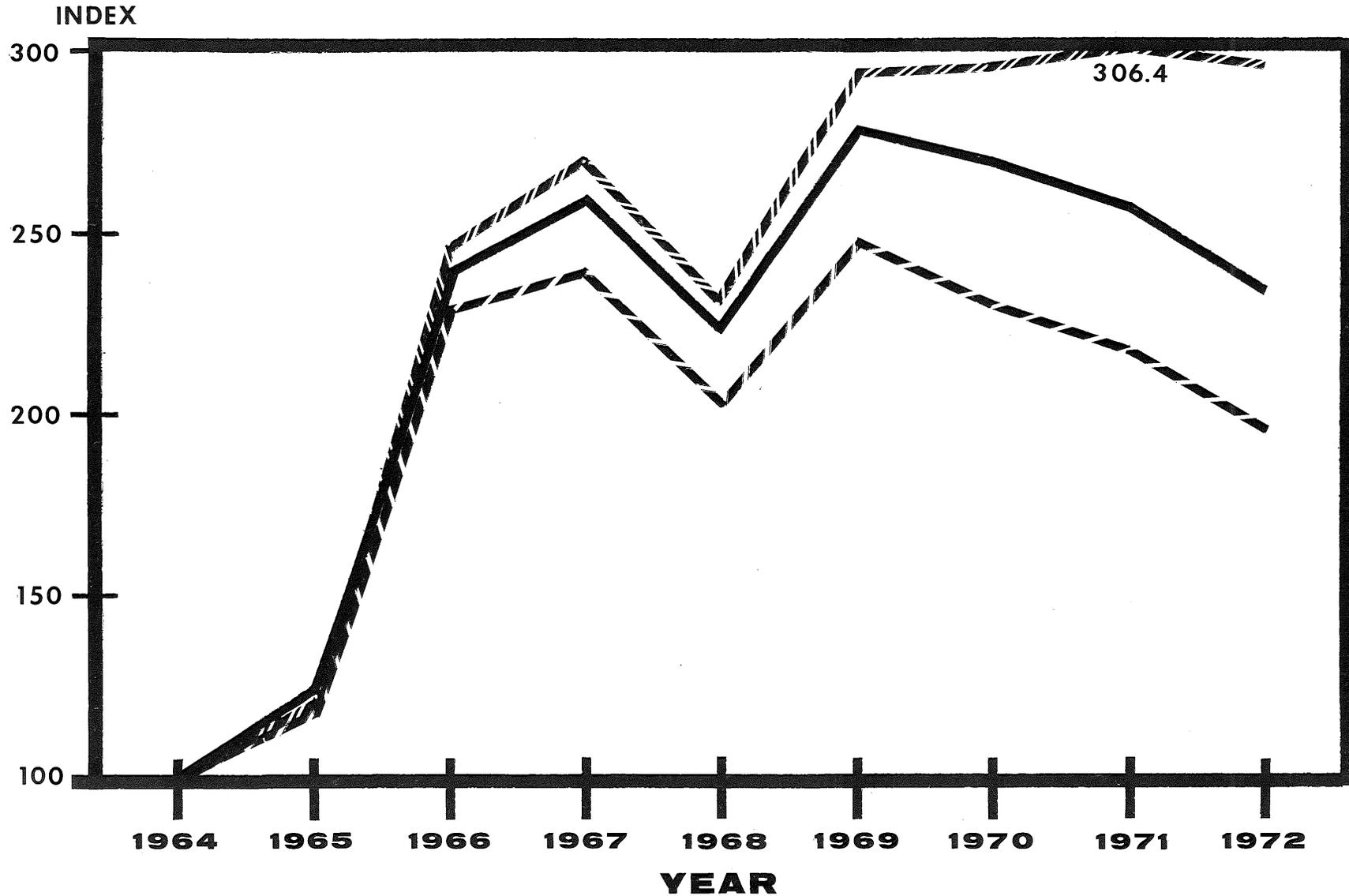


 PL 480 TITLE I  
 CIP  
 GVN

COMMERCIAL IMPORTS, 1964-1972  
( US\$ Million )

<u>PAYMENT TYPE</u>	<u>CALENDAR YEAR</u>								
	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
GVN	94	85	237	288	309	424	390	374	276
(Of Which AID Freight)	(3)	(7)	(16)	(26)	(28)	(21)	(30)	(23)	(27)
CIP	105	155	259	194	101	177	181	259	284
PL-480 Title I	34	48	76	153	138	88	121	81	118
Total Imports c.i.f.	<u>233</u>	<u>288</u>	<u>572</u>	<u>635</u>	<u>548</u>	<u>689</u>	<u>692</u>	<u>714</u>	<u>678</u>

# INDEXES OF COMMERCIAL IMPORTS



## INDEXES

-  CURRENT COMMERCIAL IMPORTS
-  REAL COMMERCIAL IMPORTS
-  REAL IMPORTS PER CAPITA

INDEXES OF COMMERCIAL IMPORTS  
( 1964 = 100 )

	<u>Index of Current Value of Commercial Imports</u>	<u>Index of Constant Value of Commercial Imports</u>	<u>Index of Real Imports Per Capita</u> (a)
1964	100	100	100
1965	123.6	124.0	121.0
1966	245.5	242.9	230.9
1967	272.5	262.2	242.9
1968	235.2	225.8	203.9
1969	295.7	279.8	245.9
1970	297.0	270.0	231.3
1971	306.4	264.8	221.6
1972	291.0	232.2	189.0

Note: (a) Assumes population growth rate of 2.6% p.a.

COMMERCIAL IMPORTS 1964-1972, CURRENT AND CONSTANT 1964 PRICES;  
AND REAL IMPORTS PER CAPITA  

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( US\$ Million )

<u>ITEM</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
1. Current Value Commercial Imports	<u>233</u>	<u>288</u>	<u>572</u>	<u>635</u>	<u>548</u>	<u>689</u>	<u>692</u>	<u>714</u>	<u>678</u>
2. Import Price Index, 1964 = 100 <sup>(a)</sup>	100	99.6	101.1	103.9	104.2	105.7	110.1	115.7	125.3
3. Constant Value Commercial Imports	<u>233</u>	<u>289</u>	<u>566</u>	<u>611</u>	<u>526</u>	<u>652</u>	<u>629</u>	<u>617</u>	<u>541</u>
4. Population Mid-Year (Millions) <sup>(b)</sup>	15.7	16.1	16.5	17.0	17.4	17.8	18.3	18.8	19.3
5. Real Imports Per Capita (US\$)	<u>14.8</u>	<u>18.0</u>	<u>34.3</u>	<u>35.9</u>	<u>30.2</u>	<u>36.6</u>	<u>34.4</u>	<u>32.8</u>	<u>28.0</u>

Notes: (a) Index of principal Vietnamese import commodities, weighted by import licensing in FY 1972.

(b) Assumes 2.6% rate of population increase.

Commercial Import Arrivals<sup>1/</sup> by Country of Origin

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
A. <u>\$ Millions</u>								
United States	29	135	254	301	259	265	334	294
Japan	29	30	70	149	140	168	79	102
W. Europe <sup>2/</sup> (Of Which: France)	33 (9)	31 (7)	60 (14)	68 (17)	60 (19)	96 (34)	73 (29)	78 (27)
Taiwan	37	46	67	76	46	52	42	52
South Korea	7	18	14	5	5	12	12	17
India	6	8	8	7	1	2	2	7
Hong Kong	2	2	7	3	4	7	4	4
All Other	<u>39</u>	<u>44</u>	<u>49</u>	<u>59</u>	<u>84</u>	<u>84</u>	<u>85</u>	<u>86</u>
TOTAL	242	314	529	668	599	686	631	640

Commercial Import Arrivals<sup>1/</sup> by Country of Origin (continued)

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
B. <u>Per Cent Shares</u>								
United States	36.8	43.0	48.0	45.1	43.2	38.6	52.9	45.9
Japan	12.0	9.6	13.2	22.3	23.4	24.5	12.5	15.9
W. Europe <sup>2/</sup> (Of Which: France)	13.6 (3.7)	9.9 (2.2)	11.3 (2.6)	10.2 (2.5)	10.0 (3.2)	14.0 (5.0)	11.6 (4.6)	12.2 (4.2)
Taiwan	15.3	14.6	12.7	11.4	7.7	7.6	6.7	8.1
South Korea	2.9	5.7	2.6	0.8	0.8	1.8	1.9	2.7
India	2.5	2.5	1.5	1.0	0.2	0.3	0.3	1.1
Hong Kong	0.8	0.6	1.3	0.4	0.7	1.0	0.6	0.6
All Other	<u>16.1</u>	<u>13.1</u>	<u>8.8</u>	<u>8.8</u>	<u>14.0</u>	<u>12.2</u>	<u>13.5</u>	<u>13.5</u>
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

<sup>1/</sup> Arrivals data as reported by GVN Customs. Dollar totals differ somewhat from import total shown elsewhere (which are on a payments basis) largely because of reporting lags.

<sup>2/</sup> France, Germany, Italy, Netherlands, Switzerland and U.K. only. Minor amounts for other W. European countries are included in "All Other."

IMPORT ARRIVALS<sup>1/</sup> BY MAJOR COMMODITY, SELECTED YEARS  
( US\$ Million)

	<u>1964</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1970</u>	<u>1971</u>
A. <u>Agricultural Products</u>	<u>35</u>	<u>145</u>	<u>199</u>	<u>260</u>	<u>177</u>	<u>131</u>
1. Rice	0	72	136	167	94	24
2. Dairy Products	12	22	14	23	23	31
3. Wheat	8	9	11	14	17	13
4. Sugar	10	10	15	17	12	32
5. Other	5	32	23	39	31	31
B. <u>Petroleum, etc.</u>	<u>18</u>	<u>30</u>	<u>41</u>	<u>38</u>	<u>50</u>	<u>53</u>
C. <u>Construction Material</u>	<u>35</u>	<u>62</u>	<u>56</u>	<u>34</u>	<u>66</u>	<u>78</u>
1. Cement & Plaster	10	6	10	7	16	24
2. Iron & Steel	23	50	39	22	46	48
3. Other	2	6	7	5	4	6
D. <u>Chemicals</u>	<u>37</u>	<u>46</u>	<u>47</u>	<u>44</u>	<u>102</u>	<u>100</u>
1. Pharmaceuticals	8	15	16	14	21	39
2. Fertilizers	11	4	0	7	41	15
3. Other	18	27	31	23	40	46
E. <u>Textile Industry</u>	<u>45</u>	<u>69</u>	<u>92</u>	<u>51</u>	<u>69</u>	<u>90</u>
1. Raw Materials	36	46	36	24	54	54
2. Frabrics	7	20	49	25	9	28
3. Machinery	2	3	7	2	6	8
F. <u>Metal Products</u>	<u>10</u>	<u>23</u>	<u>27</u>	<u>17</u>	<u>11</u>	<u>9</u>
G. <u>Machinery</u>	<u>31</u>	<u>78</u>	<u>100</u>	<u>67</u>	<u>86</u>	<u>106</u>
1. Electrical	12	25	37	27	20	33
2. Engines & Parts	12	20	23	18	27	22
3. Other	7	33	40	22	39	51
H. <u>Vehicles &amp; Parts</u>	<u>18</u>	<u>59</u>	<u>81</u>	<u>62</u>	<u>39</u>	<u>34</u>
1. Motorcycles, etc.	4	22	27	44	6	4
2. Tractors	0	2	2	3	18	11
3. Trucks, Cars	5	22	25	7	5	9
4. Other	9	13	27	8	10	10
I. <u>Pulp &amp; Paper</u>	<u>9</u>	<u>12</u>	<u>16</u>	<u>8</u>	<u>17</u>	<u>18</u>
J. <u>Other</u>	<u>4</u>	<u>5</u>	<u>9</u>	<u>18</u>	<u>14</u>	<u>21</u>
TOTAL	<u>242</u>	<u>529</u>	<u>668</u>	<u>599</u>	<u>631</u>	<u>640</u>

<sup>1/</sup> See Note 1/, preceding table.

U.S. SHARE OF GVN COMMERCIAL IMPORTS  
ARRIVALS <sup>1/</sup> 1964-1971  
 ( US\$ Million )

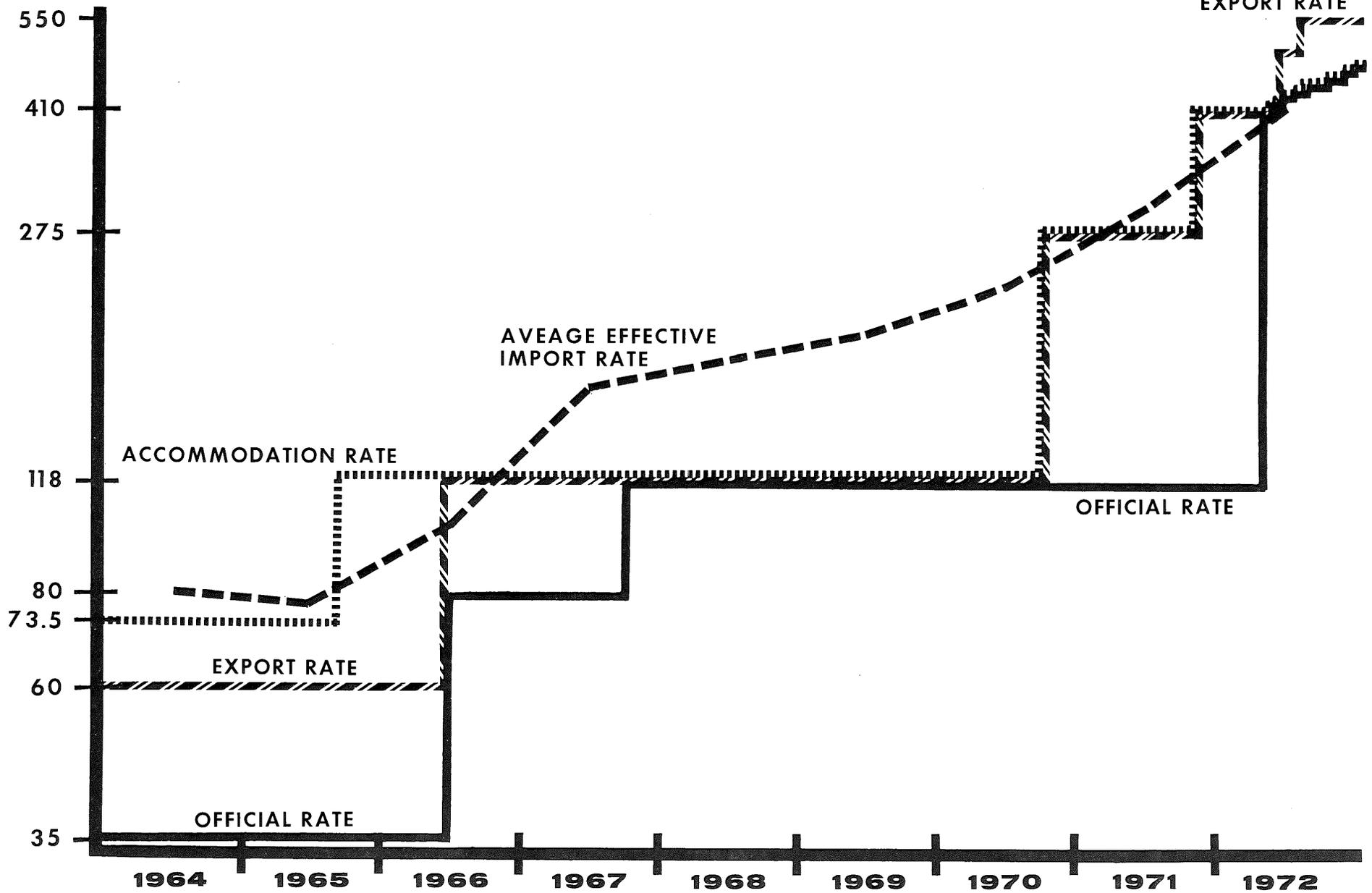
<u>Year</u>	<u>GVN Arrivals</u>	<u>U.S. Origin</u>	<u>U.S. as % Total</u>
1964	95	4	4
1965	85	3	4
1966	168	7	4
1967	290	12	4
1968	286	22	8
1969	372	36	10
1970	309	57	18
1971	298	28	9

1/ See Note 1/, preceding table

D. EXCHANGE RATES

# EXCHANGE RATES, 1964-1972

Piasters per Dollar  
(Log Scale)



EXCHANGE RATES, 1964-72  
(Piasters per Dollar)

<u>Year</u>	<u>Official</u> (1)	<u>Accommodation</u>	<u>Export</u>	<u>Import</u> (2)
<u>1964</u>	35	73.5	60	81
<u>1965</u>	35	73.5 to 8/27 118 thereafter	60	79
<u>1966</u>	35 to 6/17 80 thereafter	118	60 to 6/17 118 thereafter	120
<u>1967</u>	80 to 10/1 118 thereafter	118	118	160
<u>1968</u>	118	118	118	168
<u>1969</u>	118	118	118	192
<u>1970</u>	118	118 to 10/3 275 thereafter	118 to 10/3 275 thereafter	226
<u>1971</u>	118	275 to 11/15 410 thereafter	275 to 11/15 410 thereafter	294
<u>1972</u>	118 to 4/1 410 to 4/29 420 to 6/18 425 to 7/28 430 to 8/22 435 to 10/30 445 to 12/9 455 to 12/30 465 thereafter	410 to 4/29 420 to 6/18 425 to 7/28 430 to 8/22 435 to 10/30 445 to 12/9 455 to 12/30 465 thereafter	410 to 4/29 420 to 5/22 500 to 7/28 550 thereafter	412

Notes: (1) Rate for U.S. official piaster purchases.

(2) Average effective import rate for the year (piaster value of imports and import taxes divided by dollar value of imports).

EXCHANGE RATES, END-JANUARY, 1973  
(Piasters Per \$US)

		<u>Comment</u>
<b>A. <u>Import Rates</u></b>		
1. GVN	475	Fluctuates
2. CIP		
a. Principal Rate	330	Fluctuates
b. PD-31 Rate	405	Principal Rate + 75
3. P.L. 480, Title I		
a. Principal Rate	475	Equal to GVN Rate
b. Cotton, wheat	330	Equal to CIP Rate
4. GVN Payments on AID Freight		
a. CIP goods	330-405	Equal to CIP Rate
b. P.L. 480, Title I goods	475	Equal to GVN Rate
<b>B. <u>Export Rates</u></b>		
1. Principal Rate	575	GVN Rate + 100
2. Bonus Rate for New Export Products	600	Principal Rate + 25
<b>C. <u>Official Rate*</u></b>	475	Fluctuates

\* Applicable to all legal exchange transactions other than those enumerated under (A) and (B).

AVERAGE EFFECTIVE IMPORT RATE  
AND CONSUMER PRICES

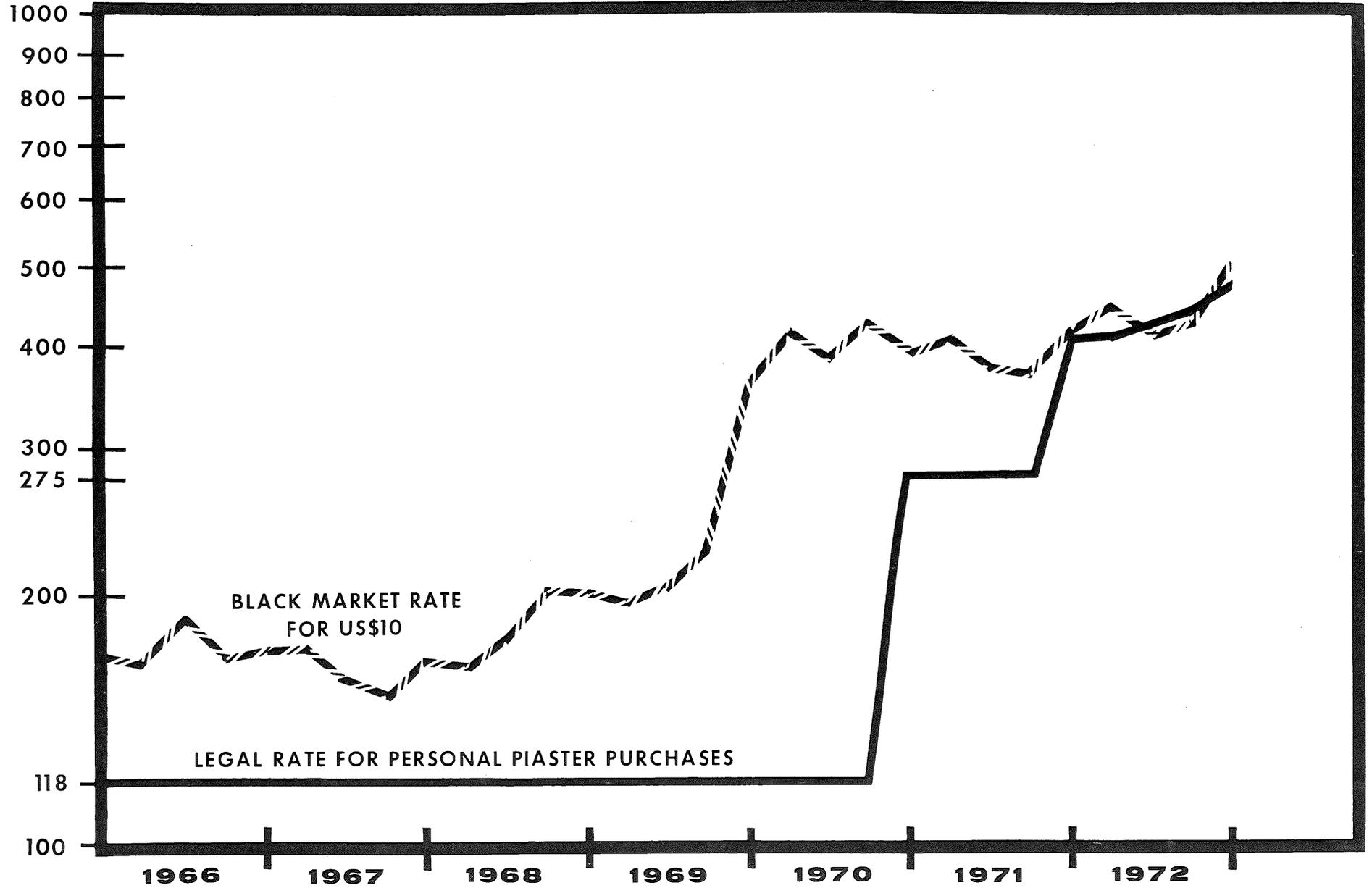
	(1) <u>Average Effective Import Rate</u>	(2) <u>Import-Price Index (1965 = 100)</u>	(3) <u>Average Effective Import Rate in Real Terms \$1965</u>	(4) <u>Effective Import Rate in Real Terms 1965 = 100</u>	(5) <u>Consumer Price Index (1965 = 100)</u>
1965	79	100.0	79	100	100
1966	120	101.5	122	154	151
1967	160	104.3	167	211	223
1968	168	104.6	176	223	303
1969	192	106.1	204	258	360
1970	226	110.5	250	316	516
1971	294	116.2	342	433	581
1972	412	125.8	518	656	713
<u>Year-to-Year % Increase</u>					
1965-66	51.9	1.5	54.2		51.0
1966-67	33.3	2.8	37.0		47.7
1967-68	5.0	0.3	5.3		35.9
1968-69	14.3	1.4	15.9		18.8
1969-70	17.7	4.1	22.5		43.3
1970-71	30.1	5.2	37.1		12.6
1971-72	40.1	8.3	51.7		22.7
<u>Average Annual Rates of Inc.</u>					
1965-70	23.1	2.0	25.6		38.8
1970-72	35.0	6.7	44.0		16.2
1965-72	26.6	3.3	30.8		32.4

- Notes: (1) Piaster value of imports and import revenues divided by dollar values of imports.  
(2) Index of dollar prices of Vietnamese imports weighted by FY 1971-72 import licensing.  
(3) Col. (1) x col. (2): piasters required to import one dollar of imports in 1965 value terms.  
(4) Col. (3) on basis of 1965 = 100 for purpose of comparison with Col. (5).

# BLACK MARKET AND LEGAL EXCHANGE RATES

(END OF QUARTER RATES, 1964-72)

Piasters  
per US\$1.00



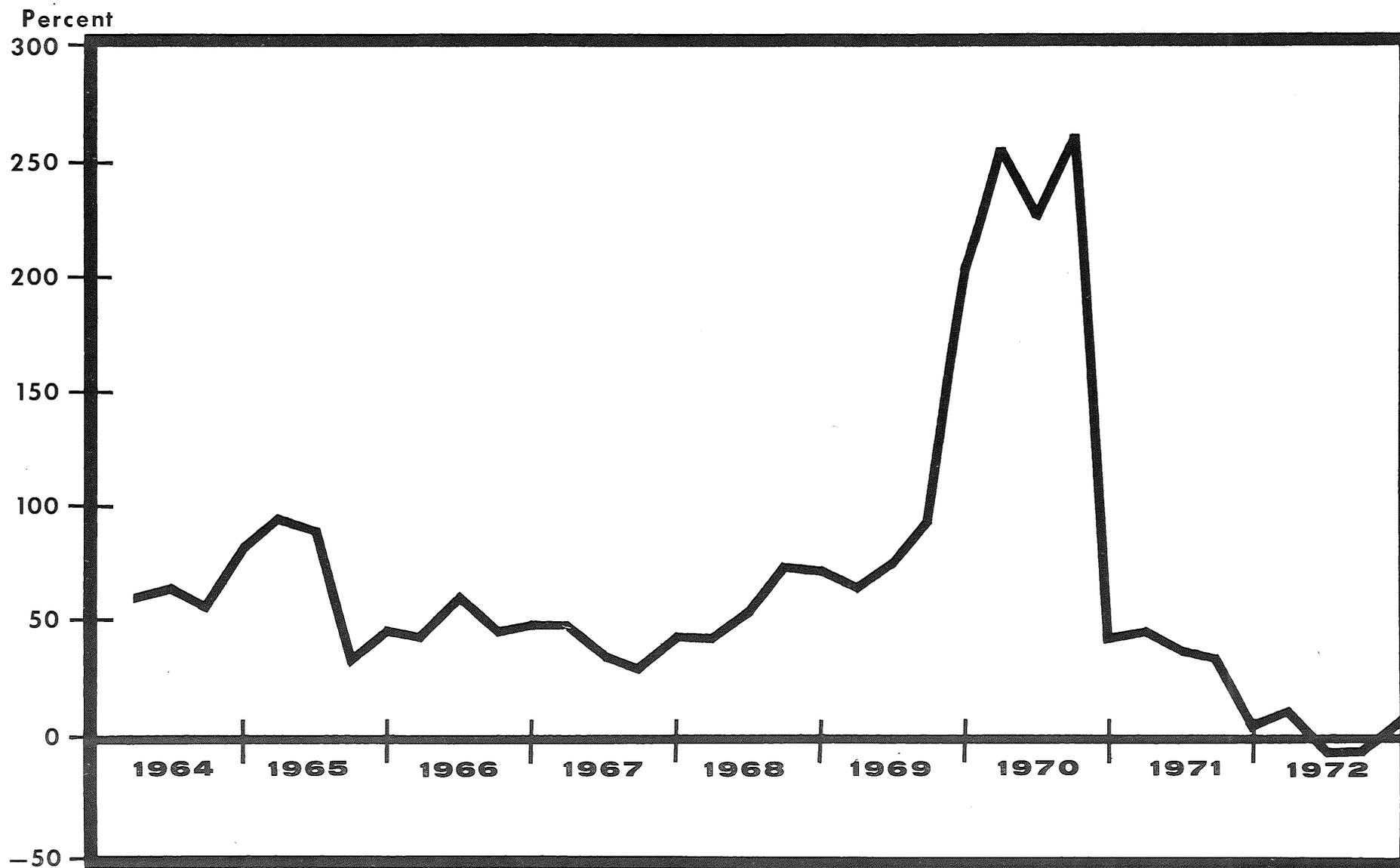
**BLACK MARKET AND LEGAL EXCHANGE RATES**  
**1966 to 1972**

<u>Year</u>	<u>March</u>		<u>June</u>		<u>September</u>		<u>December</u>	
	<u>Black Market Rate</u>	<u>Legal Rate</u>						
1966	166	118	188	118	168	118	172	118
1967	173	118	158	118	151	118	167	118
1968	166	118	178	118	203	118	200	118
1969	194	118	202	118	225	118	360	118
1970	418	118	382	118	426	118	388	275
1971	403	275	374	275	366	275	414	410
1972	445	410	417	425	424	435	495	465

**Note: End of Period Rates: Black Market Rate-Piasters per one U.S. dollar for US\$ 10 Green.  
Legal Rate-Piasters per one U.S. dollar for personal piaster purchases.**

# U.S. DOLLAR BLACK MARKET PREMIUM/DISCOUNT \*

(END OF QUARTER RATES, 1964-72)



\* END OF PERIOD PREMIUM OVER OR DISCOUNT FROM LEGAL EXCHANGE RATE FOR PERSONAL PIASTER PURCHASES.

BLACK MARKET PREMIUM/DISCOUNT FOR US\$10  
(END OF QUARTER RATES 1964-1972)

Percent Premium/Discount\*

<u>Year</u>	<u>March</u>	<u>June</u>	<u>September</u>	<u>December</u>
1964	+ 59%	+ 65%	+ 56%	+ 82%
1965	+ 95%	+ 90%	+ 29%	+ 43%
1966	+ 41%	+ 59%	+ 42%	+ 46%
1967	+ 47%	+ 34%	+ 28%	+ 42%
1968	+ 41%	+ 51%	+ 72%	+ 70%
1969	+ 64%	+ 71%	+ 91%	+205%
1970	+254%	+224%	+261%	+ 41%
1971	+ 47%	+ 36%	+ 33%	+ 1%
1972	+ 9%	- 2%	- 2%	+ 6%

\* Premium over (+) or discount from (-) the legal exchange rate for personal piaster purchases.

PER CAPITA ACCOMMODATIONS 1968-1972  
( US Dollars)

<u>Time Period</u>	<u>Average Monthly Per Capita Accommodations</u>		<u>Average Accommodation Rate</u>	<u>Avg. End Quarter* Black Market Premium</u>
	<u>US Troops</u>	<u>US Civilians</u>		
<u>1968</u>				
Jan. - Dec.	\$ 7.20	\$ 213.95	118	59%
<u>1969</u>				
Jan. - Dec.	\$ 5.42	\$ 163.38	118	108%
<u>1970</u>				
Jan. - Oct. 15	\$ 4.70	\$ 45.98	118	246%
Oct. 16 - Dec.	\$ 13.66	\$ 174.96	275	41%
Jan. - Dec.	\$ 6.29	\$ 68.96	141	195%
<u>1971</u>				
Jan. - Oct.	\$ 28.27	\$ 251.09	275	39%
Nov. - Dec.	\$ 57.63	\$ 363.32	410	1%
Jan. - Dec.	\$ 32.05	\$ 269.80	298	29%
<u>1972</u>				
Jan. - Sept.	\$ 93.80	\$ 370.31	420	1%

\* Percent difference between black market rate and legal accommodation rate.

# GOLD PRICES IN VIETNAM AND HONG KONG

1970 -1972

US\$ Per Teal

90.00

80.00

70.00

60.00

50.00

40.00

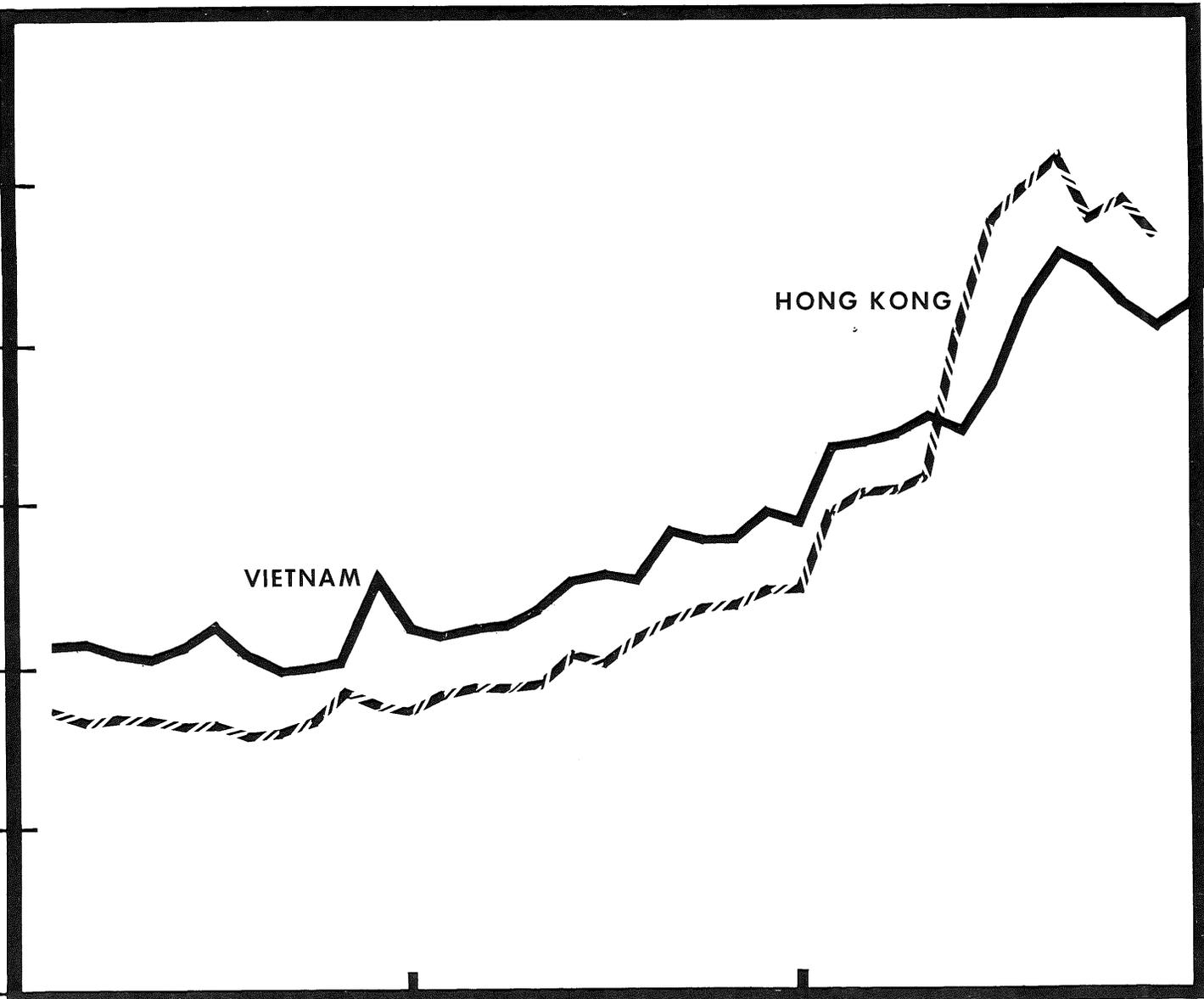
30.00

VIETNAM

HONG KONG

J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D

1970 1971 1972



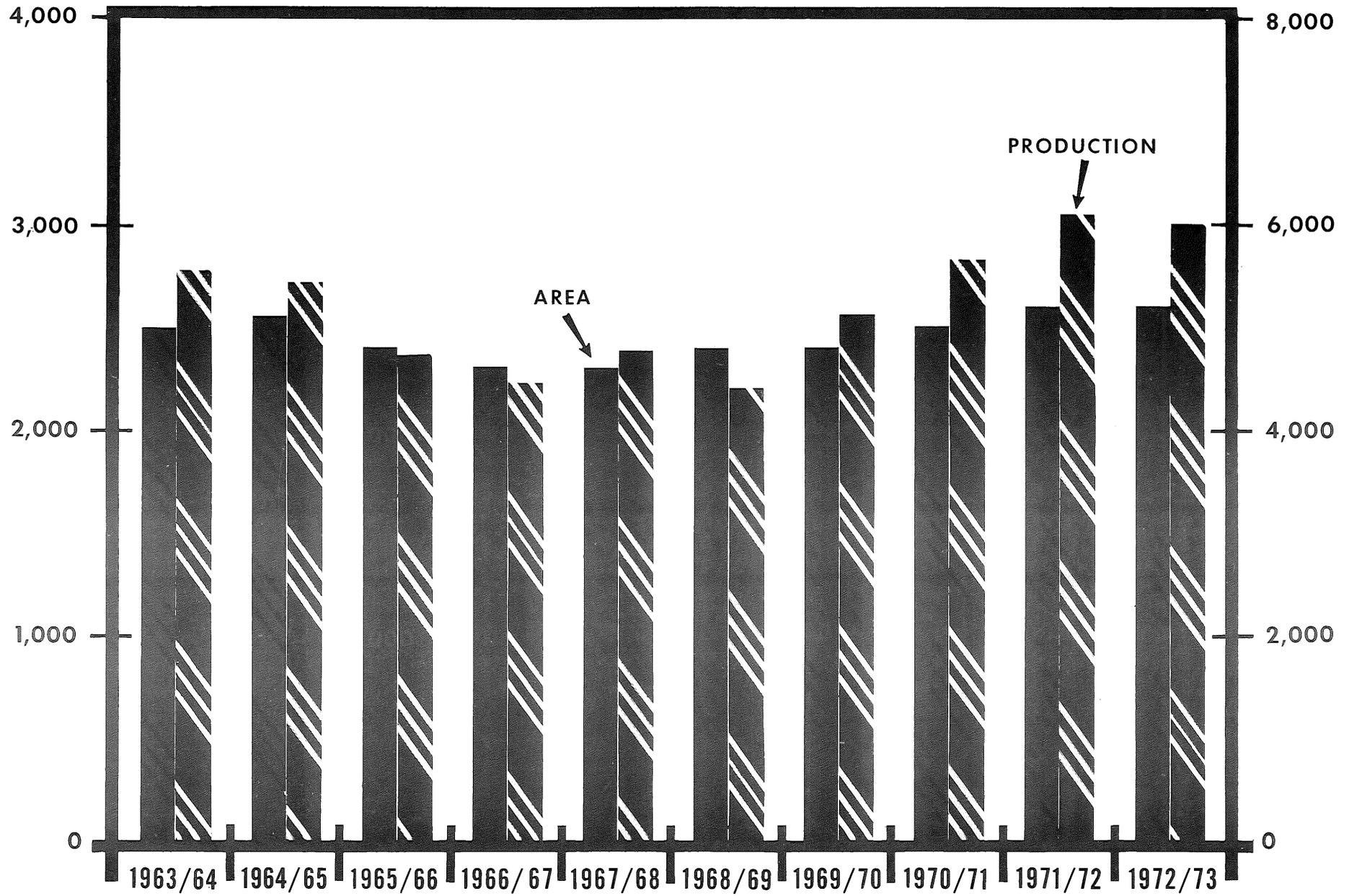
E. RICE

# RICE CULTIVATION AND PRODUCTION

CROP YEARS 1963/64 TO 1972/73

AREA  
(Thousand Hectares)

PRODUCTION  
(Thousand Metric Tons)



RICE CULTIVATION AND PRODUCTION  
CROP YEARS 1963/64 TO 1972/73

<u>Crop Year</u>	<u>Cultivated Area</u> (millions of hectares*)	<u>Paddy Production</u> (millions of metric tons)
1963/64	2.5	5.3
1964/65	2.6	5.2
1965/66	2.4	4.8
1966/67	2.3	4.3
1967/68	2.3	4.7
1968/69	2.4	4.4
1969/70	2.4	5.1
1970/71	2.5	5.7
1971/72	2.6	6.1**
1972/73	2.6	6.0 (preliminary estimate)**

\* Includes double-cropping

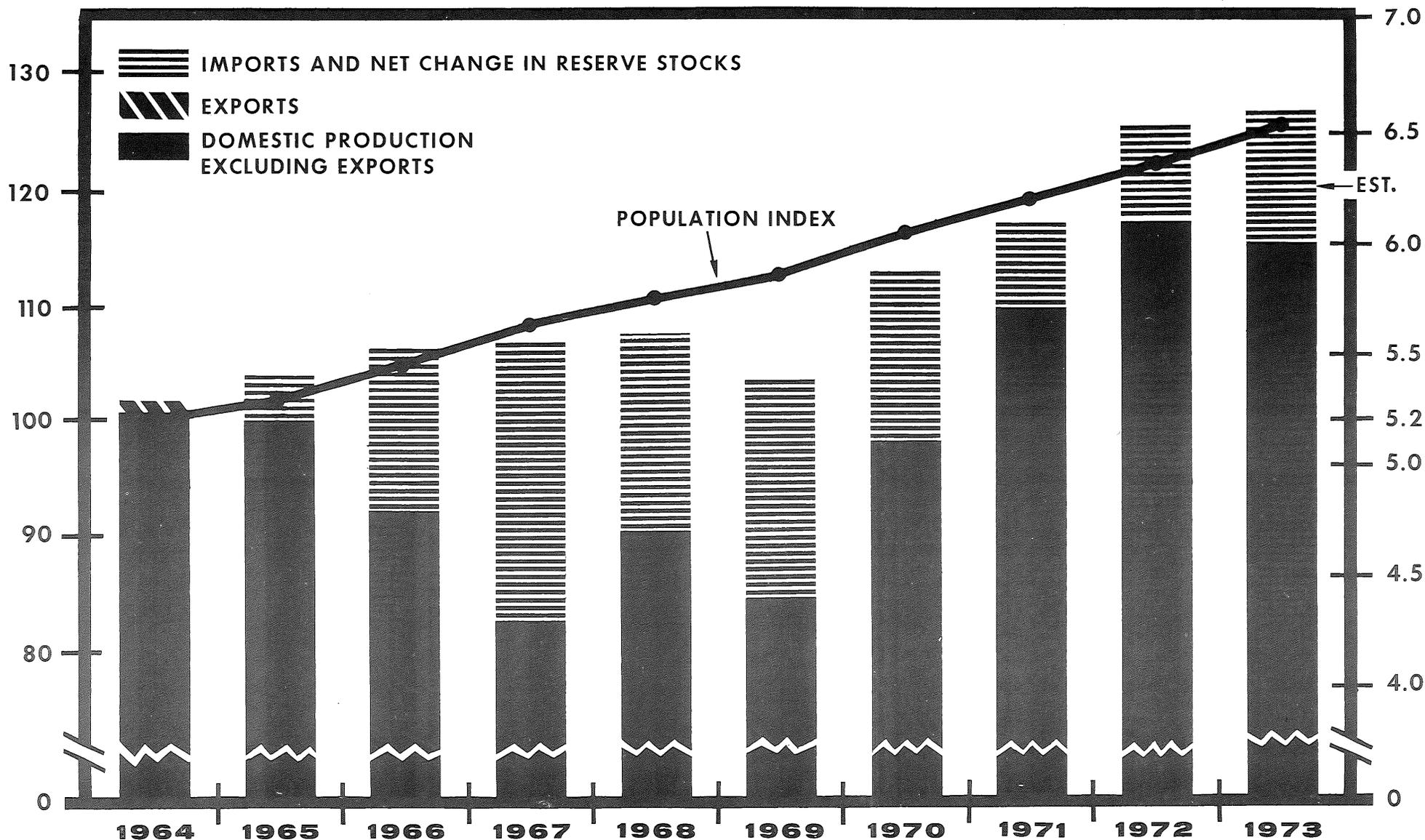
\*\* Revised downward slightly from official estimates  
on the basis of a USAID evaluation

# POPULATION INDEX AND PADDY (OR PADDY EQUIVALENT) AVAILABLE FOR ALL USES

Population (1964=100)

1964 - 1973

Metric Tons (millions)



POPULATION INDEX AND PADDY (OR PADDY EQUIVALENT)  
AVAILABLE FOR ALL USES, 1964-1973  
 ( 000 Metric Tons )

<u>Year</u>	<u>Domestic Production Excluding Exports</u>	<u>Rice Exports (Paddy Equivalent<sup>1/</sup>)</u>	<u>Rice Imports and Stock Changes <sup>2/</sup> (Paddy Equivalent<sup>1/</sup>)</u>	<u>Paddy or Paddy Equivalent Available For all Uses</u>	<u>Index of Paddy for Domestic Use 1964 = 100</u>	<u>Index of Population 1964 = 100</u>
1964	5,230	42 (70)	--	5,300	100.0	100.0
1965	5,200	--	130 (217)	5,417	102.6	103.6
1966	4,800	--	434 (723)	5,523	105.3	105.6
1967	4,300	--	750 (1,250)	5,550	108.0	106.1
1968	4,700	--	515 (858)	5,558	110.8	106.3
1969	4,400	--	599 (998)	5,398	113.7	103.2
1970	5,100	--	471 (785)	5,885	116.7	112.5
1971	5,700	--	234 (390)	6,090	119.7	116.4
1972	6,100 <sup>3/</sup>	--	251 (418)	6,518	122.8	124.6
1973	6,000 <sup>3/</sup>	--	350 (583) est.	6,583	126.0	125.9

<sup>1/</sup> One metric ton of paddy equals 0.6 metric tons of rice

<sup>2/</sup> This column shows the combination of imports and reserve stocks employed for current year's use. Since data are not available on reserve stock changes prior to 1968, they are assumed to be constant from year to year prior to that date.

<sup>3/</sup> Slightly revised from official estimates on the basis of a USAID evaluation.

RICE, PADDY AND CONSUMER PRICES  
( 1964 = 100)

<u>Year</u>	(1) <u>Index of Retail Rice Prices</u>	(2) <u>Index of Delta Paddy Prices</u>	(3) <u>Consumer Price Index*</u>	(4) Col. (1) ÷ Col. (3)	(5) Col. (2) ÷ Col. (3)
1964	100	100	100	1.00	1.00
1965	124	103	119	1.04	.87
1966	208	189	180	1.16	1.05
1967	403	367	265	1.52	1.38
1968	431	334	360	1.20	.93
1969	636	565	428	1.49	1.32
1970	820	680	614	1.34	1.11
1971	933	808	691	1.35	1.17
1972	1403	1268	849	1.65	1.49

\* National Institute of Statistics Working Class Index,  
Without Rent, 1964-1965 and USAID Saigon Retail Price  
Index, 1966-1972



