

Accepted Manuscript

Title: Channels of monetary policy transmission in Vietnam

Authors: Sajid Anwar, Lan Phi Nguyen

PII: S0161-8938(18)30029-2

DOI: <https://doi.org/10.1016/j.jpolmod.2018.02.004>

Reference: JPO 6418



To appear in: *Journal of Policy Modeling*

Received date: 18-9-2017

Revised date: 5-1-2018

Accepted date: 15-2-2018

Please cite this article as: Anwar, Sajid., & Nguyen, Lan Phi., Channels of monetary policy transmission in Vietnam. *Journal of Policy Modeling* <https://doi.org/10.1016/j.jpolmod.2018.02.004>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Channels of monetary policy transmission in Vietnam

Sajid Anwar

School of Business

University of the Sunshine Coast

Maroochydore DC, QLD 4558, Australia

Email: SAnwar@usc.edu.au

Tel: 61-7-5430-1222

&

School of Commerce, University of South Australia

Adelaide, SA, 5001, Australia

&

Shanghai Lixin University of Accounting and Finance

Songjiang District, Shanghai, China

&

Lan Phi Nguyen

State Bank of Vietnam, Hanoi, Vietnam

Email: nplan_dbtk@sbv.gov.vn

Abstract

Since the economic reforms launched in 1986, the Vietnamese economy has registered impressive economic growth. While foreign investment is providing much needed capital, through the conduct of monetary policy, the State Bank of Vietnam (SBV), which is an integral part of the government of Vietnam, is also playing an important role in nurturing the economic growth. The aim of this paper is to evaluate the success of the SBV policies. Monetary policy actions affect all sectors of real economies with a significant lag. Without a good understanding of the transmission mechanism, monetary policy actions may not achieve the desired outcomes. Using quarterly data from 1995 to 2010, this paper focuses on monetary policy transmission mechanisms in Vietnam. Specifically, we consider the dynamic response of the Vietnamese economy to interest rate, exchange rate and foreign shocks. The estimated results based on structural vector autoregressive (SVAR) methodology suggest that monetary shocks tend to have a strong influence on Vietnam's output. We find that Vietnam's monetary policy is relatively more susceptible to foreign shocks.

JEL classification: E44, E52, E58

Keywords: SVAR, Monetary policy, transmission mechanism, impulse response, emerging markets, Vietnam

Download English Version:

<https://daneshyari.com/en/article/8954618>

Download Persian Version:

<https://daneshyari.com/article/8954618>

[Daneshyari.com](https://daneshyari.com)