

Country Analysis: Vietnam

Weather:

25-28C with much rain

Costs

The cost of travel in Vietnam varies from bargain basement to sky high, depending on taste and comfort. Ascetics could just about get by on US\$15 a day, while a conventional budget traveller can live it up from US\$25 to US\$35. Midrange travellers can have a ball from US\$50 to US\$150 a day, staying comfortably, eating well and travelling flexibly. At the top end, spending US\$250 or more a day, anything is possible. Vietnam is not quite as cheap as it used to be thanks to rampant inflation, but it is still a great deal compared with many parts of the world.

The official currency is the Vietnam dong (d), but the US dollar is pretty widely accepted. In tourist centres, most hotels will accept either, while other businesses may prefer dong. As you venture off the trail, make sure you are packing plenty of local currency. Rooms start from as little as US\$5 in busy tourist centres. Spending US\$10 to US\$30 will boost the comforts quickly, and rooms will generally include air-con, satellite TV, fridge and hot water. Make the step up to US\$50 and three-star frills are available. At US\$100 and above, it's five-star territory in many destinations, although [Hanoi](#) and [Ho Chi Minh City](#) (HCMC) tend to be more expensive than the provinces. Don't be afraid to negotiate for a discount if it is low season or if numbers are down.

Dining out is where Vietnam comes into its own. Surfing the street stalls and markets, meals can be found for US\$1 or less. Local restaurants are more comfortable and you can eat well for between US\$2 and US\$5. Then there are the Vietnamese gourmet restaurants, where you can still only spend around US\$15 with drinks; with the right wines you could easily spend US\$50.

Domestic flights are quite good value for longer journeys, particularly with lowcost carrier Jetstar Pacific on the scene. A one-way ticket from [Hanoi](#) to HCMC is around US\$100, although Jetstar can be cheaper. Trains are great value and overnight sleepers are a good way to cover long distances like [Hanoi](#) to Hue or HCMC to [Nha Trang](#).

Bus travel is a bargain by Western standards, as long as you manage to pay the local price. Public buses between major destinations have fixed fares, but for bus travel in remote areas, overcharging is the rule. For maximum flexibility, many travellers prefer to rent a car or 4WD and go exploring with a guide. Costs run from about US\$30 around town to US\$100 or more a day up-country (including the driver's food and lodging). A guide costs from US\$15 to US\$50, depending on the destination.

Foreigners are sometimes overcharged, particularly when buying souvenirs and occasionally in restaurants. Transport prices are sometimes bumped up to several times the Vietnamese price. However, don't assume that everyone is trying to rip you off. Despite widespread poverty, many Vietnamese will only ask the local price for many goods and services.

Money

The first currency of Vietnam is the dong, which is abbreviated to 'd'. Banknotes come in denominations of 500d, 1000d, 2000d, 5000d, 10,000d, 20,000d, 50,000d, 100,000d, 200,000d and 500,000d. Now that Ho Chi Minh has been canonised (against his wishes), his picture is on every banknote. Coins are also in circulation, although they are more common in the cities, and include 500d, 1000d and 5000d. The second currency is the US dollar and that needs no introduction. The dong has experienced its ups and downs. The late 1990s Asian economic crisis, which wreaked severe havoc on the regional currencies, caused the dong to lose about 15% of its US-dollar value. Since then the dong has stabilised at around 16,000d to 17,000d to the US dollar. Where prices on the ground are quoted in dong, we quote them in this book in dong. Likewise, when prices are quoted in dollars, we follow suit. While this may seem inconsistent, this is the way it's done in Vietnam and the sooner you get used to thinking comparatively in dong and dollars, the easier your travels will be.

ATMs

It used to be just a couple of foreign banks in [Hanoi](#) and HCMC that offered ATMs, but Vietnamese banks have now got into this game in a big way. Vietcombank has the best network in the country, including most of the major tourist destinations and all the big cities. Agribank, Vietin Bank and Sacombank are also well represented. Every branch stocks a useful leaflet with a list of their nationwide ATMs. Withdrawals are issued in dong, and there is a single withdrawal limit of 2,000,000d (about US\$125). However, you can do multiple withdrawals until you hit your own account limit. ANZ offers 4,000,000d withdrawals per transaction. Most banks charge 20,000d per transaction. Cash advances for larger amounts of dong, as well as US dollars, can be arranged over the counter during office hours.

Bargaining

Some bargaining is essential in most tourist transactions. Remember that in [Asia](#) 'saving face' is important, so bargaining should be good-natured. Smile and don't get angry or argue. In some cases you will be able to get a 50% discount or more, at other times this may only be 10%. And once the money is accepted, the deal is done. Don't waste time getting stressed if you find out someone else got it for less; it is about paying the price that is right for you, not always the local price.

Black Market

The black market operates quite openly. Private individuals and some shops and restaurants will exchange US dollars for dong and vice versa. While the practice is technically illegal, law enforcement is virtually nonexistent. Ironically, black market exchange rates are usually *worse* than the official exchange rates, so the only advantage is the convenience of changing money when and where you like. If people approach you on the street with offers to change money at rates better than the official one, you can rest assured that you are being set up for a rip-off. Fake notes or too few notes, they will get you somehow. Remember, if an offer seems too good to be true, that's because it probably is.

Cash

Most major currencies can be exchanged at leading banks in Vietnam, but away from the tourist centres the US-dollar remains king. Vietcombank is the most organised of the local banks for changing cash and can deal with euros, pounds and pretty much anything else you are packing. The US dollar exchange rate worsens the further you get from the tourist trail, so stock up on dong if you are heading into remote areas. In small towns it can be difficult to get change for the larger notes, so keep a stack of smaller bills handy. Changing US\$100 will make you an instant millionaire. It's a good idea to check that any big dollar bills you take do not have any small tears or look too tatty, as no-one will accept them in Vietnam. You cannot legally take dong out of Vietnam but you can reconvert reasonable amounts of it into US dollars on departure. Most land border crossings now have some sort of official currency exchange, offering the best rates available in these remote parts of the country.

Credit Cards

Visa, MasterCard and JCB cards are now widely accepted in all major cities and many tourist centres. However, a 3% commission charge on every transaction is pretty common; check first, as some charge higher commissions than others. Some merchants also accept Amex, but the surcharge is typically 4%. Better hotels and restaurants do not usually slap on an additional charge. If you wish to obtain a cash advance from Visa, MasterCard and JCB, this is possible at Vietcombank branches in most cities, as well as at some foreign banks in HCMC and [Hanoi](#). Banks generally charge a 3% commission for this service. This is handy if you want to take out large sums, as the ATMs have low daily limits.

Tipping

Tipping is not expected in Vietnam, but it is enormously appreciated. For a person who earns US\$100 per month, a US\$1 tip is significant. Upmarket hotels and some restaurants may levy a 5% service charge, but this may not make it to the staff. If you stay a couple of days in the same hotel, try and remember to tip the staff who clean your room. You should also consider tipping drivers and guides – after all, the time they spend on the road with you means time away from home and family. Typically, travellers on minibus tours will pool together to collect a communal tip to be split between the guide and driver. It is considered proper to make a small donation at the end of a visit to a pagoda, especially if a monk has shown you around; most pagodas have contribution boxes for this purpose.

Activities/Day Trips

Hydrofoil to Vung Tau beach
Mekong Delta Discovery Adventure Tour

Mekong River Cruise
Cu Chi Tunnels Adventure tour
Ho Chi Minh City Tour

Walking Tour

Ben Thanh Market
Cai Be floating market