

Eastspring Investments Vietnam Navigator Fund (ENF)



A Prudential plc company

Eastspring Investments Vietnam Navigator Fund (the “Navigator Fund” or “ENF”) is a Mutual Fund licensed by Vietnam State Securities Commission under license No. 09/GCN-UBCK (March 25th, 2014).

Fund Manager: Eastspring Investments Fund Management Limited Liability Company (“Eastspring Vietnam”)

Key information

Fund size (billion)	253.6
Unit Net Asset Value	37,082
Fund base currency	VND
Dealing frequency	Twice a week (Wed and Fri)
Supervisory Bank	Standard Chartered Bank (Vietnam) Ltd.
Min. Investment	100,000
Max Investment	No limit

(Date of NAV: End of month)

Fee & Charge

Subscription fee	Determined by distributors (Max 3%)
Redemption fee	0%
Annual management fee	1.5% per annum total NAV

Investment objective

- Objective of the Navigator Fund is to deliver capital appreciation through exposure to multiple asset classes, including equity, bond, and bank deposit.
- Actively navigate the market through dynamic asset allocation to provide participation in equity upside when stock markets are performing well, while having a softening effect when stock markets are not performing well.

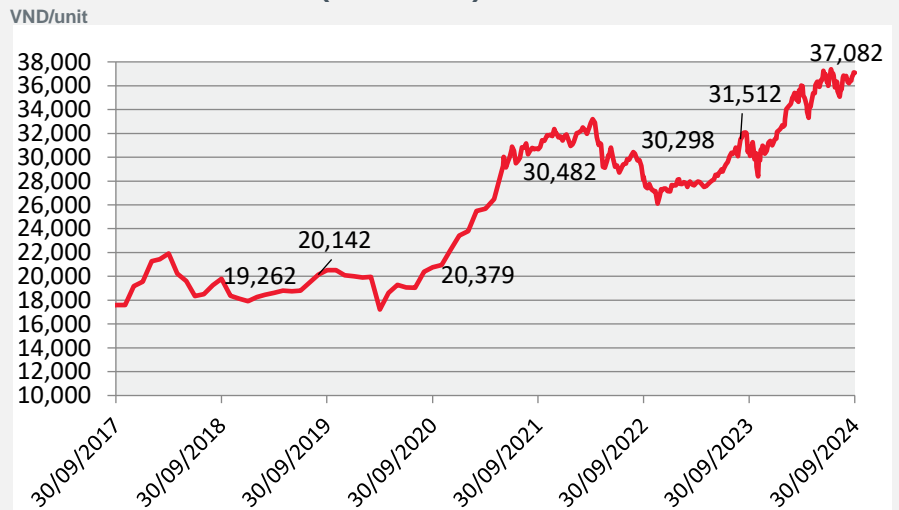
Performance accumulated return (%)

	1 month	3 months	YTD	1 year	3 years	Since Inception
Net return	0.7%	3.0%	17.5%	20.6%	20.9%	270.8%

Calendar year returns (%)

Year	2019	2020	2021	2022	2023
Net return	11.6%	17.1%	35.8%	-14.7%	16.3%
VNIndex	7.7%	14.9%	35.7%	-32.8%	12.2%

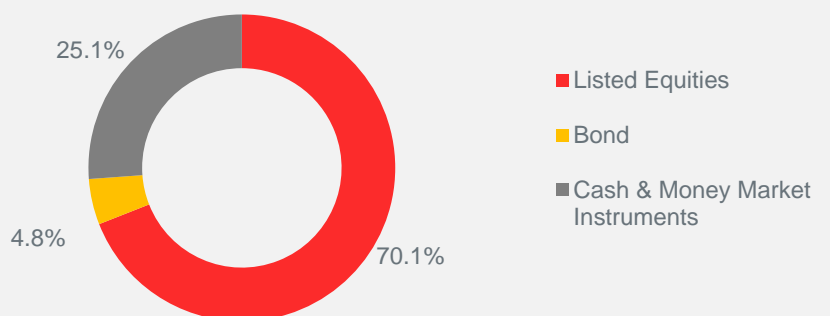
Performance chart (unit NAV)



Top 5 holdings

FPT Corporation	FPT	12.0%
Vietinbank	CTG	9.4%
Military Bank	MBB	6.1%
Asia Commercial JS Bank	ACB	5.9%
REE Corporation	REE	3.0%

Asset allocation (%)



Market update

Macroeconomics

Good Economic Recovery

Vietnam's GDP grew 7.4% YoY in Q3 2024, bringing 9M 2024 growth to 6.8% YoY, the second highest in five years. This was driven by strong production-led exports, with the industrial sector growing 9.6% YoY in Q3 and 8.3% YoY in 9M 2024. Strong performances in rubber, plastic products, furniture, and petroleum products boosted manufacturing. However, due to Typhoon Yagi, the Manufacturing PMI dropped to 47.3 in September from 52.4 in August, but firms remain optimistic about future demand.

Continued Recovery in Exports

Exports reached USD 34.1 billion in September, a 10.7% YoY increase, and imports were USD 31.8 billion, up 11.1% YoY. For 9M 2024, exports totaled USD 299.6 billion (+15.4% YoY) and imports USD 278.8 billion (+17.3% YoY), resulting in a trade surplus of USD 20.8 billion. The services sector was also resilient, growing 7.5% YoY in Q3 and 6.9% YoY in 9M 2024. Retail sales grew 7.6% YoY in September, reflecting a strong 8.8% YoY increase for 9M 2024, supported by international arrivals and increased tourism.

Solid FDI Disbursement

FDI disbursement reached USD 3.2 billion in September, the highest monthly level since 2012, reflecting a 13.2% YoY increase. For 9M 2024, FDI disbursement totaled USD 17.3 billion (+8.9% YoY), driven by strong registrations and Vietnam's strategic advantages, particularly in the manufacturing and processing sectors.

Easing Inflation

Inflation in September 2024 was 2.63% YoY, down from 3.5% in August, with average CPI inflation at 3.88% YoY for 9M 2024. Falling domestic petroleum prices helped curb inflation, though increases in tuition fees and food prices partially offset these gains. The outlook for inflation remains benign.

Vietnam Economic Outlook

Vietnam's economic potential remains strong due to its advantages in attracting FDI. The recovery in exports and imports supports industrial production, and continuing government policy support further stimulates economic activity. The ongoing recovery in international tourism and increased recruitment activities also contribute to a positive outlook.

Stock Market

Markets Recover Despite Challenges from super typhoon Yagi

Despite the challenges faced in September, Vietnam's market potential remains strong. The VN-Index's year-to-date growth of 14.0%, outperformed regional markets such as the Philippines, Indonesia, and Thailand. The VN-Index's trailing P/E ratio stood at 15.8.

In September 2024, the VN-Index closed at 1,287.9 points, marking a robust 14.0% YTD growth. The index initially declined by 3.5% in the first half of the month due to increased selling pressure as global stock markets fell. Additionally, Typhoon Yagi negatively impacted market sentiment, particularly in the insurance sector. However, the VN-Index rebounded by 3.9% in the second half of the month, supported by buying power at low prices, a rally in US equity markets and the first Fed rate cut in mid-September. Average daily trading value (ADTV) declined by 3.4% MoM to USD 649.1 million. In September, foreign investors continued to net sell VND 2.1 trillion on the HOSE exchange. This was largely influenced by a put-through transaction of VIB, which accounted for nearly VND 2.7 trillion. Since the beginning of the year, the cumulative net outflow has exceeded VND 66 trillion.

Sector Performance

The financial services sector emerged as the top performer in September, with a monthly active return of 3.1%, driven by strong performances from key stocks such as MBS, SSI, HCM, and FTS. The banks sector also showed positive momentum, gaining 2.9% thanks to positive sentiment from credit growth and market recovery. Health care followed with a 2.2% return, benefiting from its defensive appeal during market volatility. On the other hand, the oil & gas sector experienced the largest decline, dropping 5.3% due to global oil price fluctuations and negative market sentiment. Insurance and utilities sectors also underperformed, with returns of -5.0% and -2.5%, respectively, impacted by market conditions and sector-specific challenges.

Source: GSO, FiiiproX, Bloomberg

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