

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)	251.6
Unit Net Asset Value	36,814
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.

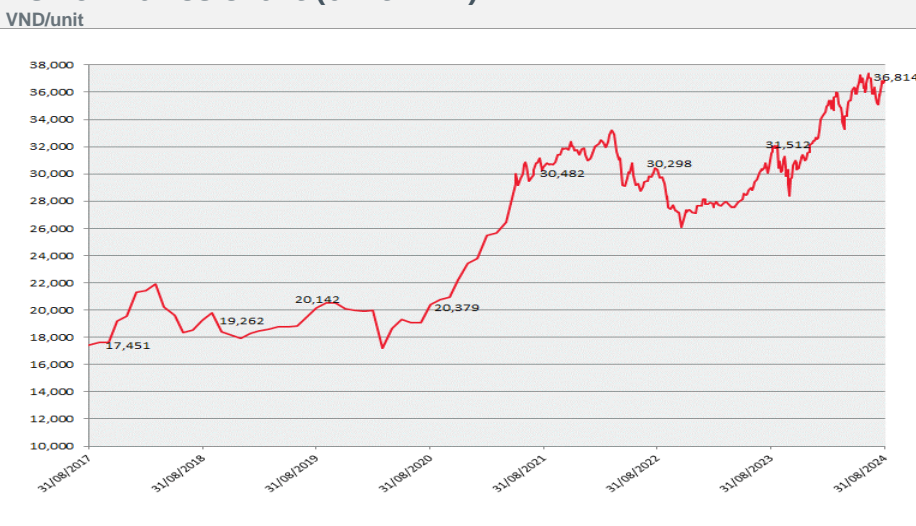
Performance accumulated return (%)

	1 month	3 months	YTD	1 year	3 years	Since Inception
Net return	1.5%	2.5%	16.7%	16.8%	20.8%	268.1%

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%

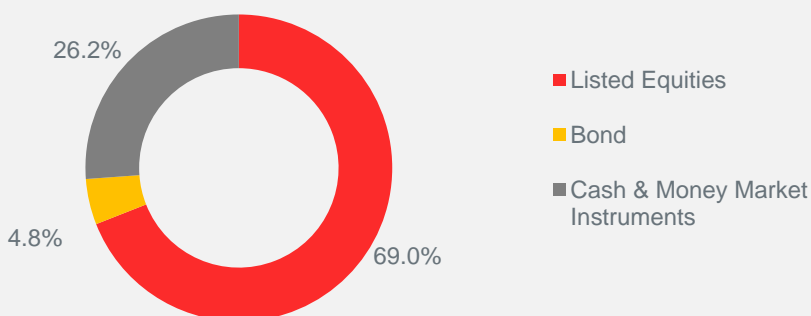
Performance chart (unit NAV)



Top 5 holdings

FPT Corporation	FPT	12.1%
Vietinbank	CTG	8.6%
Military Bank	MBB	5.5%
Asia Commercial JS Bank	ACB	4.6%
Vinamilk	VNM	3.1%

Asset allocation (%)



Market update

Macroeconomics:

Inflation slower.

Inflation in August 2024 was slow down, with the Consumer Price Index (CPI) increasing by 3.45% YoY, but decreasing by 0.91% MoM. A significant factor in restraining inflation was the decline in domestic gasoline prices, which fell by 5.8% MoM, helping to curb transportation costs.

Industrial Index continues its recovery momentum.

Vietnam's industrial production continued its recovery in August 2024, with the overall index of industrial production (IIP) rising by 9.5% YoY. The manufacturing sub-sector saw a notable increase of 10.6% YoY, driven by solid new orders and ongoing recovery in production.

Solid recovery from Exports and Imports.

Vietnam recorded a trade surplus of USD 4.5 billion in August 2024, the highest level since August 2020. Exports grew by 14.5% YoY to USD 37.6 billion, while imports increased by 12.4% YoY to USD 33.1 billion. The strong recovery in new export orders and growth in key export categories such as PCs, electronic items, and machinery contributed to this surplus.

Tourism continues to contribute to Retail sales rebound.

Retail sales of goods and services grew by 7.9% YoY in August 2024. For the first eight months of the year, retail sales increased by 8.5% YoY, supported by a strong rebound in the tourism sector, particularly from foreign visitors.

FDI disbursement continues its high record momentum.

Foreign Direct Investment (FDI) disbursement in August 2024 reached USD 1.6 billion, marking a 5.3% YoY increase. For the first eight months of 2024, FDI disbursement totaled USD 14.2 billion, the highest level since 2012. This growth is attributed to large registrations recorded in 2023 and Vietnam's fundamental advantages, including its strategic location, free trade agreements, and competitive labor costs.

VND is strongly recovering.

The Vietnamese Dong (VND) posted its strongest gain in 20 months, appreciating by 1.5% against the USD in August 2024. This appreciation was driven by favorable US CPI data, which increased the likelihood of a rate cut by the Federal Reserve, and Vietnam's substantial trade surplus of USD 4.5 billion in August. The VND's recovery is expected to continue, supported by strong net foreign exchange inflows from trade, FDI, and remittances.

Stock Market:

VN-Index Shows Resilience Amidst Challenges

In August, the VN-Index closed at 1,283.90, reflecting a 2.6% increase MoM and a notable 13.6% rise YTD. This positive performance was driven by a global equity market rally, higher expectations about the removal of the "prefunding" bottleneck, the appreciation of the Vietnamese Dong (VND), and amendments to real estate laws.

Foreign Investors continue their outflows.

Market liquidity declined for the second consecutive month, with the average trading value on the HSX dropping by 2.4% MoM to \$662.9 million. Foreign investors continued their net selling trend for the seventh consecutive month, resulting in net outflows of \$151.8 million in August and a cumulative \$2.6 billion outflow year-to-date; however, the net selling has been significantly lower than in previous months, amounting to only half of July's outflow of \$331.3 million. The VN-Index's trailing P/E ratio stood at 15.4x, which is lower than several regional markets such as Thailand's SET and Indonesia's JCI.

Sector Performance

Financial Services led the market with a monthly active return of 5.2%, supported by FTS, HCM, BSI, VIX, MBS, and SSI. Real Estate sector followed closely with a 4.5% return, driven mainly by PDR, DXG, VHM, NVL, and VIC. Consumer Discretionary also showed strong performance, posting a 4.4% return thanks to MWG and FRT. Conversely, Industrials sector underperformed with -2% return, followed by Health Care at -0.4%, and Insurance at 0.3%.

Disclaimer

Source: GSO, FiinproX, Bloomberg

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