

Macroeconomics

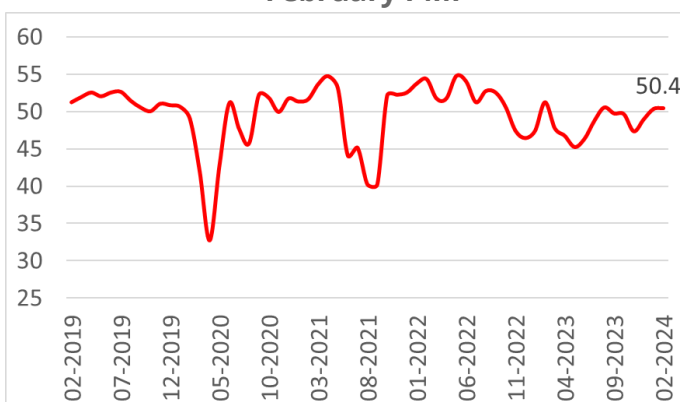
Global Macroeconomics

- ▶ **The US inflation in February** increased 0.4% month on month and increased 3.2% year on year, higher than January data of 3.1% year on year.
- ▶ **The manufacturing PMI index of the US and European countries** mixed in February. Specifically, the US manufacturing PMI increased to 52.2 from 50.7 in January. Europe's manufacturing PMI decreased slightly from 46.6 in January to 46.5 in February. This data showed that manufacturing activities in the US continued recovering in February, while manufacturing activities in Europe have faced challenges.

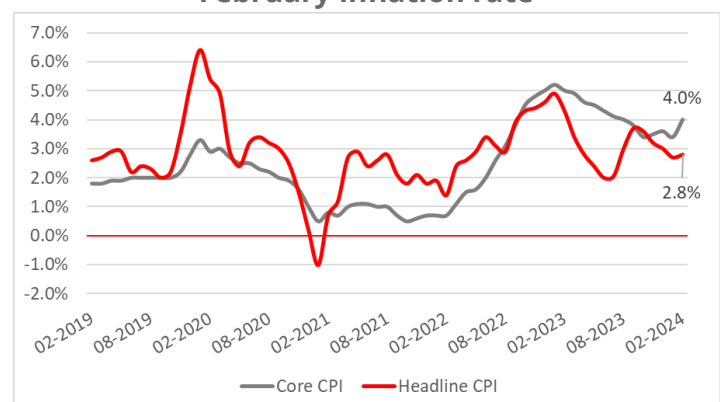
Vietnam Macroeconomics

- ▶ **Retail sales of goods and services** reached VND509.7 trillion, up 8.5% compared to the same period last year. The growth of 8.5% YoY is below the normal level but it is still good. It not only captures the festive consumption but also mirrors the recovery trajectory of the economy, buoyed by the return of international tourists, which has particularly benefited the accommodation and catering sectors.
- ▶ **Exports** were estimated at 24.8 billion USD in February, down 5% YoY, and imports were estimated at 23.7 billion USD, up 1.8% YoY. In the first 2 months of 2024, exports are estimated to reach 59.3 billion USD, up 19.2% YoY and goods imports are estimated at 54.6 billion USD, up 18% YoY. The trade balance in the first 2 months of the year is estimated to achieve 4.7 billion USD.
- ▶ **Consumer price index (CPI)** increased by 1.0% in February MoM, 1.4% compared to December 2023, and nearly 4% YoY. In the first two months of this year, CPI increased by an average of 3.7% yoy, and core inflation increased by 2.8%. The 1.0% MoM rise is indicative of this seasonal effect, while the 3.98% YoY increase suggests a broader inflationary trend, likely exacerbated by global supply chain issues affecting petroleum products.
- ▶ **FDI capital** continued to be a bright spot when registered capital of foreign investors as of February 20, 2024 reached nearly USD4.3 billion, an increase of 38.6% YoY. Realized FDI capital YTD was estimated at nearly 2.8 billion USD, up 9.8% YoY.
- ▶ **Purchasing Managers' Index (PMI)** increased to 50.4 in February, this was second consecutive month that PMI recorded above 50. With this result, the index showed that business conditions of Vietnamese manufacturers have improved compared to last month.

February PMI



February Inflation rate



Source: General Statistics Office of Vietnam, Bloomberg.

Market Overview

- ▶ **VN-Index** continued to surge in February, closing at 1,252.7 points (+7.6% last month) with liquidity increased by 24.8% compared to January. Telecommunication, Materials and Banking sector surged significantly and was the key driver to the market recovery. The government’s commitment to achieving an “emerging market” status has instilled confidence among investors, while the expected implementation of the KRX trading system is anticipated to modernize and enhance market operations.
- ▶ **Foreign investors** continued to net sell VND2,769 billion in February. This is the eighth consecutive month that foreign investor net sold.
- ▶ **The P/E ratio** is currently 16.2 times, below the 5-year average of 17.5 times. The lower the current P/E is than the average, the higher the probability of the market recovering.

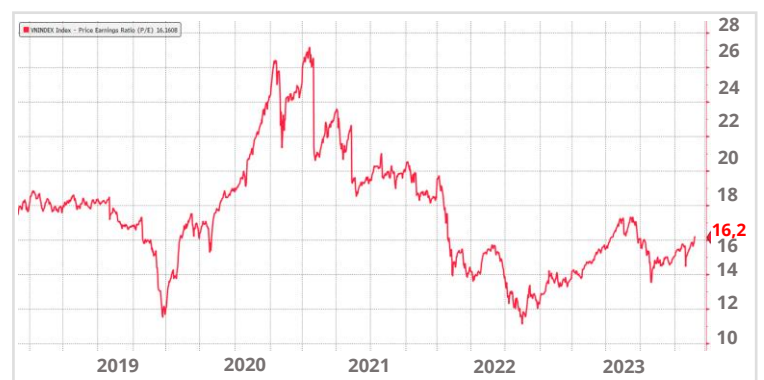
In the year 2024, Vietnam stock market will continue to be an attractive investment channel in the context of low interest rates and high market liquidity. Recently in March 2024, SBV started issuing T-bills again, but compared to the previous T-bill issuance (September – November 2023), we think the impact on the market will not be too negative, since (1) The issuance scale is expected to be smaller (the peak of previous issuance scale was VND 255,695 billion), (2) DXY index is less stressful than the period September – November 2023, (3) Savings deposit interest rate in Vietnam is at historic low of 4.75%-5%/year, (4) Market outlook is more optimistic with strong recovery in business results.

Industries	% 1M	% 3M	% YTD	P/E	P/B	ROE %	ROA %	EPS growth (YoY, %)	PBT growth (YoY, %)
Telecommunications	18.7%	30.5%	23.3%	37.3	3.4	0.7%	0.4%	-9.2%	16.1%
Materials	11.3%	18.3%	14.7%	27.5	1.6	1.8%	0.9%	-44.0%	17.1%
Consumer Goods	6.9%	11.0%	7.3%	20.6	2.4	10.0%	4.7%	-18.0%	20.2%
Oil & Gas	5.9%	1.9%	4.6%	11.5	1.3	11.1%	5.7%	-23.6%	7.7%
Industrials	6.4%	13.3%	11.1%	17.8	1.8	9.6%	4.2%	-14.7%	-11.8%
Utilities	4.6%	6.4%	5.2%	15.3	1.9	12.7%	6.7%	-27.9%	-10.4%
Financials	6.7%	8.9%	5.3%	17.1	1.5	8.9%	2.9%	-0.7%	321.4%
Technology	8.2%	17.6%	11.5%	22.3	4.2	16.4%	8.3%	6.6%	25.9%
Banking	9.0%	19.8%	19.0%	10.3	1.7	17.1%	1.4%	-8.5%	14.2%
Consumer Services	3.2%	11.0%	6.7%	-99.08	3.9	-13.4%	-2.9%	-52.6%	43.3%
Health Care	3.5%	6.7%	4.0%	13.5	1.6	10.2%	5.4%	5.3%	-3.8%

VN-Index



P/E ratio



Source: FiinproX, Bloomberg.

Eastspring Vietnam Newsletter – February 2024

ENF Performance Update

Introduction

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”).

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.

Inception date	25/03/2014	Dealing frequency	Weekly Wednesday & Friday (T Day)
Total NAV	238.2 Bil VND	Cut-off time	Before 10:30 AM on Tuesday & Thursday
NAV/unit	35040 VND	Subscription fee	Determined by distributors (Max 3%)
Supervisory Bank	Standard Chartered VN	Redemption fee	0%
Min. Investment	1,000,000 VND	Management fee	1,5%/anum

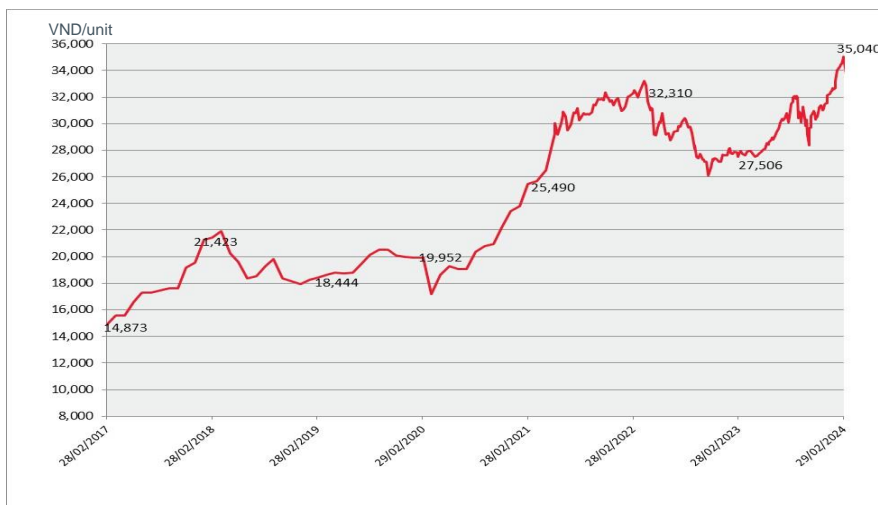
Accumulated net return (%)

	1 month	3 months	YTD	1 year	3 years	Since Inception
Net return	7.2%	14.7%	11.0%	27.4%	37.5%	250.4%

Calendar year net return(%)

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%

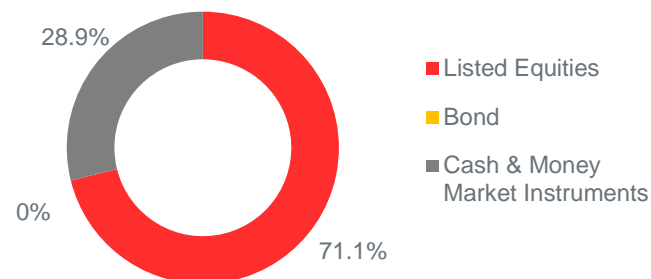
Performance chart



Top 5 holdings

FPT Corporation	FPT	12.8%
Military Bank	MBB	9.7%
Vietinbank	CTG	9.7%
Asia Commercial JS Bank	ACB	7.4%
Idico Corporation	IDC	4.3%

Asset allocation



DISTRIBUTORS

SSI Securities Corporation

(SSI)

Tel: (84-28) 3824 2897

KIS Vietnam Securities Corporation

(KIS)

Tel: (84-28) 3914 8585

RongViet Securities Corporation

(VDSC)

Tel: (84-28) 6299 2006

Vietcombank Securities Company

Limited (VCBS)

Tel: (84-24) 3936 6426

VNDIRECT Securities Joint Stock

Company (VNDS)

Tel: (84-24) 3972 4568

Bank for Investment & Development

Securities Joint Stock Company (BSC)

Tel: (84-24) 3935 2722

Viet Capital Securities Joint Stock

Company (VCSC)

Tel: (84-28) 3914 3588

PRUlink Fund Performance Update

Introduction

6 PRUlink Funds are established from premium of unit-linked product policies provided by Prudential Vietnam, with an aim to maximize total income in the medium-to-long term for policyholders who are signed policies with Prudential Vietnam and does not apply to other individuals. These funds are designed for customers with low to high risk tolerance levels corresponding to investment strategy into assets with stable income (such as deposits...) to high capital growth (such as stocks...).

PRUlink Funds Performance

Year	PRUlink Vietnam Equity	PRUlink Growth	PRUlink Balance	PRUlink Stable	PRUlink Bond	PRUlink Preserver	VNIndex	Gold	USD	Deposit rate of 12 months
2019	9.8%	10.6%	11.0%	11.4%	12.2%	5.5%	7.7%	16.0%	-0.2%	6.9%
2020	16.4%	16.0%	14.7%	12.5%	9.0%	5.6%	14.9%	31.9%	-0.6%	7.1%
2021	40.0%	28.5%	20.8%	13.3%	3.0%	4.2%	35.7%	9.7%	-1.6%	6.2%
2022	-23.8%	-12.3%	-9.1%	-6.0%	-2.0%	5.3%	-32.8%	8.1%	3.4%	5.7%
2023	13.3%	15.4%	16.7%	18.1%	20.3%	6.7%	12.2%	10.8%	2.9%	6.7%
2M2024	14.8%	10.6%	7.7%	4.8%	0.6%	0.8%	10.9%	6.2%	1.7%	0.8%

Commentary

In February 2024, **PRUlink** funds achieve positive growth, specifically:

- **PRUlink** Equity Fund recorded the best results with an increase of 14.8%, outperformed VNINDEX (+10.9%) year to date
- **PRUlink** Growth Fund increased 10.6%
- **PRUlink** Balance Fund increased 7.7%
- **PRUlink** Stable Fund increased 4.8%
- **PRUlink** Preserver Fund increased 0.8%
- **PRUlink** Bond Fund increased 0.6%

PRUlink funds customers are always recommended to focus on investment goals with a long-term vision rather than focusing on short-term fluctuations because the unit-linked investment product (ILP) is designed with specific investment goals and maximum maximize profits in the medium and long term.

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Note: EIVN's past investment results do not necessarily represent the future investment results of ILP Funds. Investing in ILP Funds is subject to investment risks, including the possible loss of initial investment. Investors should consult with a financial expert before deciding to invest in ILP Funds.

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