Eastspring Investments Vietnam Navigator Fund (ENF)

eastspring investments
A Prudential plc company

Eastspring Investments Vietnam Navigator Fund (the "Navigator Fund" or "ENF") is a Open ended 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)	294.0
Unit Net Asset Value	41,688
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	Eastspring Vietnam: 0% Other DPs: Determined by distributors (Max 5%)
Redemption fee	Holding period: <18mth: 1.5% >=18mth: 0%
Annual management fee	1.5% per annum

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	-3.0%	12.0%	12.1%	12.4%	47.0%	316.9%

Calendar year returns (%)

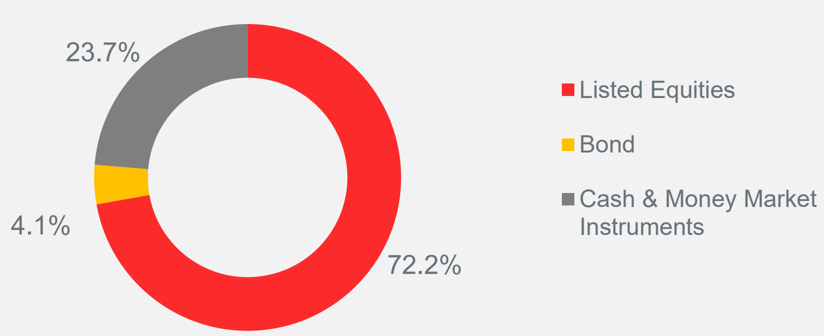
Year	2019	2020	2021	2022	2023	2024
Net return	11.6%	17.1%	35.8%	-14.7%	16.3%	17.9%
VNIndex	7.7%	14.9%	35.7%	-32.8%	12.2%	12.1%

Performance chart (unit NAV)

Top 5 holdings

Vietinbank	CTG	8.0%
Military Commercial	MBB	6.5%
Hoa Phat Group	HPG	5.4%
Techcombank	TCB	4.9%
Sacombank	STB	4.7%

Asset allocation (%)



Market update

Macroeconomics

Macroeconomic Outlook Remains Positive Despite External Risks
Vietnam's outlook for 2025 and 2026 remains optimistic, anchored by strong public investment and supportive monetary policy. Accelerated infrastructure spending is expected to sustain growth momentum and create multiplier effects across sectors. Vietnam's tariff regime remains competitive within ASEAN, though uncertainties around U.S. trade policy and potential new tariffs on electronics persist. While global trade risks and geopolitical tensions pose challenges, Vietnam's solid fiscal stance and accommodative monetary environment provide a robust foundation for achieving the government's ambitious GDP growth targets in the future.

Q3 2025 GDP Growth Surged to the Highest Level Since 2011
Vietnam's economy posted an exceptional performance in Q3 2025, with GDP expanding 8.23% YoY, marking the strongest quarterly growth since 2011. This acceleration was broad-based across sectors. In Q3 2025, industry and construction grew by 9.46% YoY, supported by manufacturing's robust 9.98% YoY increase, while services advanced 8.56% YoY, driven by administrative services, cultural activities, and transportation. Agriculture also contributed positively with 3.74% YoY growth in Q3 2025. The surge reflects resilient domestic demand and strong export momentum, aided by Vietnam's competitive tariff positioning and improved global outlook.

Inflation Edged Higher on Education and Food Costs
Headline CPI rose 3.38% YoY and 0.42% MoM in September, primarily due to hikes in non-public education tuition fees and seasonal food demand during National Day and the Mid-Autumn Festival. Education costs increased 2.22% MoM, adding 0.14 percentage points to CPI, while foodstuffs rose 0.49% MoM, contributing another 0.10 points. Despite these pressures, inflation remains below the government's 4.5% ceiling, leaving room for continued accommodative monetary policy.

Domestic Demand and Production Maintain Strong Momentum
Retail sales grew 11.3% YoY in September, the highest monthly pace since April 2023, supported by cultural events and tourism recovery, with international arrivals reaching 1.5 million (+21.5% YoY). On the production side, the Index of Industrial Production (IIP) for manufacturing sub-sector climbed 12.7% YoY and 0.3% MoM, underpinned by strong gains in motor vehicles, rubber & plastics, and non-metallic minerals. Meanwhile, the Manufacturing PMI held steady at 50.4 in September 2025, signaling modest improvement in operating conditions as new orders returned and export order declines eased.

Trade and Investment Accelerated Ahead of Year-End
Vietnam's external sector delivered impressive results in September. Exports surged 24.7% YoY to USD 42.7 bn, while imports rose 24.9% YoY to USD 39.8 bn, yielding a trade surplus of USD 2.8 bn. Foreign direct investment (FDI) disbursement reached USD 3.4 bn (+6.8% YoY) in September, the highest monthly level of 2025, with manufacturing attracting nearly 59% of pledges. Public investment also played a critical role, with VND 440.4 tn disbursed in 9M 2025 (+43.1% YoY), completing 55.7% of the annual plan and reinforcing infrastructure development.

Stock Market

Equity market overview.

Vietnam's equity market offers attractive long-term potential, underpinned by a forthcoming market upgrade and solid macroeconomic fundamentals.

The VN-Index closed September at 1,661.7 points, marking a 1.2% decline after four months of gains, though it remains up 31.2% year-to-date (YTD). The pullback was driven by profit-taking as the index failed to break the 1,700-point threshold, compounded by weaker liquidity and investor caution ahead of the FTSE Russell Emerging Market upgrade review and strong net selling by foreign investors. Average daily trading value (ADTV) fell sharply to USD 1.3 billion, down 31.4% month-on-month. Foreign investors continued their strong net selling, with outflows totaling USD 1,021.3 million across all three bourses. Despite these pressures, valuations remain moderate with the VN-Index's trailing P/E at 15.4x, positioning Vietnam between regional peers such as Thailand (14.7x) and Indonesia (19.6x).

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Market update

Vietnam's equity market continues to present compelling long-term opportunities, underpinned by reasonable valuations, supportive monetary policy, and a landmark market upgrade. FTSE Russell has officially announced that Vietnam will transition from Frontier Market to Secondary Emerging Market status, effective Monday, 21 September 2026. While an interim review remains scheduled for March 2026, FTSE Russell's reaffirmation of confidence in Vietnam's reform trajectory signals strong progress. This reclassification is not the destination. It marks the beginning of Vietnam's deeper integration into global financial systems. The upgrade is expected to bolster market confidence, enhance liquidity, and lift valuations, particularly when combined with Vietnam's robust GDP growth outlook. These structural improvements should attract significant foreign inflows and broaden investor participation, reinforcing Vietnam's position as a key emerging market in Asia. However, the outlook is not without challenges. External risks, especially evolving U.S. trade policies, remain critical to Vietnam's export performance and its ability to sustain foreign direct investment. Navigating these uncertainties will be essential for maintaining momentum and unlocking the full potential of Vietnam's equity market in the years ahead.

Sector performance.

Sector performance diverged significantly in September. Real Estate was the standout performer, surging 14.9%, supported by a sharp rally in VIC (+36.3%). Other sectors posting gains included Health Care (+1.5%) and Industrials (+0.8%). In contrast, Financial Services suffered the steepest decline at -8.1%, followed by Technology (-7.9%) and Banks (-6.5%), as profit-taking and foreign selling weighed heavily on these segments.

Bond market overview

Bond Market – September 2025: Government Accelerates Issuance, Corporate Activity Slows.

In September 2025, the total value of government bond (GB) auction offerings reached VND 54 trillion, with a bid-to-cover ratio of approximately 31%, equivalent to 14% of the Q3 issuance target. The 10-year tenor continued to attract strong demand, posting the highest winning ratio. Average winning yields across most tenors rose compared to the previous month, reflecting upward pressure on interest rates. By the end of September, the State Treasury had successfully mobilized over VND 255.7 trillion through GB issuance, fulfilling 51% of the 2025 annual plan. Conversely, corporate bond (CB) issuance in September totaled VND 23.7 trillion, marking a sharp 48% decline month-over-month and remaining flat year-over-year. Cumulative CB issuance for the first nine months of 2025 reached VND 397.9 trillion, with the majority coming from the banking and real estate sectors. During the month, corporates repurchased VND 19.5 trillion worth of bonds before maturity, down 8% compared to the same period in 2024.

Source: GSO, FiinproX, Bloomberg, VBMA

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