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)	297.7
Unit Net Asset Value	42,457
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.

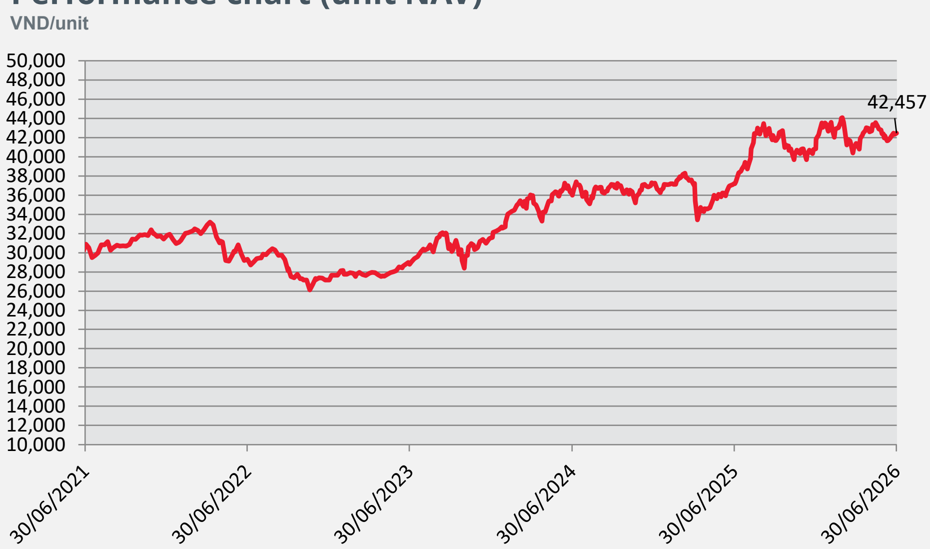
Performance accumulated return (%)

	1 month	3 months	YTD	1 year	3 years	Since Inception
Net Return	0.2%	2.6%	1.5%	14.1%	47.4%	324.6%

Calendar year returns (%)

Year	2020	2021	2022	2023	2024	2025
Net return	17.1%	35.8%	-14.7%	16.3%	17.9%	12.5%
VNIndex	14.9%	35.7%	-32.8%	12.2%	12.1%	40.9%

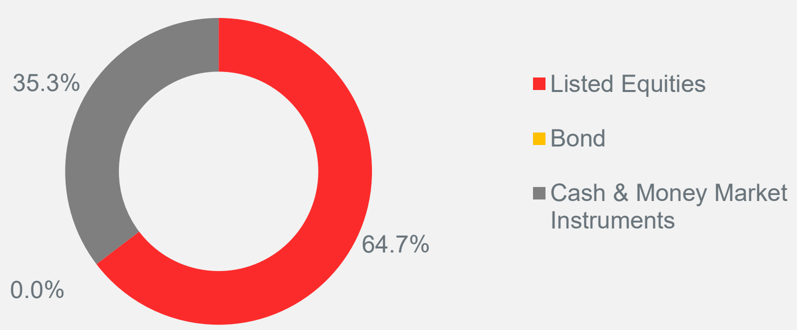
Performance chart (unit NAV)



Top 5 holdings

VINGROUP	VIC	9.6%
Vietcombank	VCB	5.2%
Sacombank	STB	3.6%
VINHOMES	VHM	3.6%
Hoa Phat Group	HPG	3.4%

Asset allocation (%)



Market update

Macroeconomics

Strong GDP growth reinforces Vietnam's domestic growth momentum

Vietnam's economy maintained a strong growth trajectory in Q2 2026, with GDP expanding 8.39% YoY and bringing H1 2026 GDP growth to 8.18% YoY, the highest first-half performance since 2010. Growth was primarily driven by the industrial and construction sector, particularly manufacturing, which continued to deliver double-digit expansion. The services sector also remained supportive, benefiting from strong activity in transportation, retail trade, tourism-related services, and logistics.

Manufacturing recovery strengthens while consumer demand remains resilient

Vietnam's production sector continued to improve in June. Manufacturing IIP increased 12.6% YoY and 3.6% MoM, reflecting broad-based expansion across most manufacturing industries. The improvement was further confirmed by the Manufacturing PMI, which remained in expansion territory at 51.8. Although lower than May's reading, the PMI continued to signal improving operating conditions as customer demand strengthened, new orders increased for a second consecutive month, purchasing activity expanded, and business confidence rose Trade deficit widens sharply as import surge outpaces strong export growth.

Consumer activity also remained robust. Retail sales grew 14.8% YoY in June, while H1 growth reached 12.9% YoY. Tourism remained a major support, with strong growth in accommodation, catering, and travel-related services helping sustain spending momentum. Overall, both manufacturing and consumption indicators suggest domestic economic activity remained healthy throughout the quarter.

Trade activity reached record levels despite a wider external deficit

External trade continued to expand strongly in June, with export value reaching USD50.8 bn, up 28.1% YoY. Export growth was driven by strong shipments of electronics, machinery, and phones, supported by improving manufacturing conditions and rising export orders. However, import value grew even faster, surging 45.2% YoY to USD53.4 bn. The sharp increase in imports was mainly attributable to strong purchases of PCs, electronic components, and petroleum products, while higher chip and memory prices further lifted import values.

As a result, Vietnam recorded a monthly trade deficit of USD2.6 bn, bringing cumulative H1 trade deficit of USD16.7 bn. The widening deficit was not caused by weak exports but rather by exceptionally strong import demand, particularly for electronics-related products and energy imports. While export performance remained encouraging, imports significantly outpaced exports during the period, exerting pressure on the overall trade balance. Nevertheless, the continued expansion of export orders and manufacturing activity suggests that part of the imported intermediate goods may eventually support future export production.

Strong FDI continues to support economic expansion

FDI remained highly supportive of growth in June. Disbursed FDI reached USD3.3 bn, increasing 16.3% YoY, while cumulative H1 disbursement rose 11.2% YoY to USD13.0 bn. Continued expansion by foreign investors, particularly in manufacturing and processing industries, reinforced Vietnam's position as a key production base and supported industrial output growth.

Public investment also accelerated significantly during the month. June disbursement reached VND150.9 tn, bringing H1 disbursement to VND357.1 tn, up 13.9% YoY. The acceleration reflected stronger government efforts to improve implementation and speed up infrastructure spending. Faster execution of public investment projects not only supported construction activity but also contributed to broader domestic demand, making public investment an increasingly important growth driver alongside private and foreign investment.

Inflation eased on lower fuel prices

Inflation remained relatively manageable despite elevated levels, with CPI rising 4.69% YoY but declining 0.39% MoM. The monthly moderation was largely due to a sharp decline in gasoline prices, which helped offset inflationary pressure from higher electricity consumption and housing-related costs during the summer season.

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Outlook: Growth momentum expected to remain strong through H2 2026

Vietnam's macroeconomic outlook remains favorable, supported by resilient manufacturing activity, sustained PMI expansion, and continued growth in export orders. The ongoing improvement in customer demand and production activity suggests that industrial output and exports should remain on an upward trend in the coming months. While the large trade deficit remains a near-term concern, it has been driven mainly by strong imports of electronics and petroleum products associated with production expansion, rather than weakness in export competitiveness. At the same time, solid FDI disbursement and accelerated public investment execution are expected to continue supporting domestic demand and investment activity. Although inflation risks, global uncertainty, and elevated commodity price volatility may create challenges, Vietnam's strong investment inflows, robust production base, and active fiscal support provide a solid foundation for maintaining strong economic growth momentum throughout the remainder of 2026.

Market update

Stock Market

Equity market overview.

Vietnam equities softened in June, with the VN-Index edging down 0.2% MoM to 1,860.0 despite maintaining a 4.2% gain YTD. Market performance was weighed down by weakness in VIC and VHM in the first half of June and persistent foreign net selling, although a late-month recovery was supported by positive developments in the US–Iran ceasefire negotiations. Market liquidity deteriorated significantly, with average daily trading value declining 24.3% MoM to USD 759.2 million, reflecting weaker investor participation. Foreign investors remained a major headwind, recording net outflows of USD 581.8 million and extending their selling streak to a sixth consecutive month. Market valuation stood at a trailing P/E of 15.1x at the end of June .

Looking ahead, Vietnam's equity market is expected to benefit from a resilient macroeconomic environment with solid economic growth in 1H2026, the upcoming Q2 and H1 2026 earnings season potentially providing additional support to investor sentiment, pushed public investment of Government in 2H2026. However, investors may remain selective amid continued foreign net selling, weakening market liquidity, and uncertainty surrounding potential changes to US tariff measures following the expiration of the temporary 10% tariff on 24 July 2026.

Sector performance.

Banks were the strongest-performing sector in June, rising 2.0%, outperforming the broader market and benefiting mainly from gains in STB, ACB, LPB, and TCB. Financial Services followed closely with a 1.9% return, while Real Estate advanced 1.8%, supported primarily by VIC (+4%). On the downside, Oil & Gas was the weakest sector, falling 13.6%, largely due to the sharp decline in BSR (-19%). Utilities was the second-worst performer with a 5.4% loss, while Insurance declined 4.2%, making it the third-worst performing sector of the month. The wide performance dispersion across sectors highlighted investors' preference for selected domestic themes while avoiding sectors facing stronger selling pressure .

Stock Market

Bond market overview.

In June 2026, the total value of Government Bond (G-bond) auctions reached VND 68 trillion, with a 34.4% bid-to-cover success rate. The 10-year tenor accounted for the largest share of successful issuances, representing 57.8% of total awarded volume, equivalent to VND 13.52 trillion, followed by the 5-year tenor with VND 9.05 trillion. Meanwhile, the 3-year, 15-year, and 30-year tenors recorded awarded volumes of VND 205 billion, VND 175 billion, and VND 425 billion, respectively. The average winning yield increased to 4.25% p.a., compared with 4.09% p.a. in the previous month. For 1H2026, the State Treasury mobilized VND 182.56 trillion through G-bond issuance, equivalent to 36.5% of the 2026 issuance target of VND 500 trillion. Notably, issuance volume in Q2 2026 achieved 93% of the quarterly funding plan.

In contrast, corporate bond issuance totaled VND 43.88 trillion in June 2026, declining 23% MoM and 65% YoY. Of the total issuance, private placements accounted for VND 40.38 trillion, while public offerings contributed VND 3.5 trillion.

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Cumulatively, 1H2026 corporate bond issuance reached VND 187.92 trillion, down 30% YoY, with issuance activity remaining highly concentrated in the Banking sector (50%) and Real Estate sector (40%).

During June, issuers repurchased VND 58.40 trillion of bonds ahead of maturity, representing an 8.3% YoY decline. In the secondary market, trading value of privately placed corporate bonds amounted to VND 168.58 trillion, averaging VND 7.66 trillion per trading session, up 27% compared with the average daily trading value recorded in May 2026.

Source: GSO, FiinPro, Bloomberg, VBMA

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