

Macroeconomy commentary:

- Inflation is running hot in many countries from advanced economies to emerging markets, triggered by supply chain disruptions, shortage of raw materials and high energy costs. In the US, inflation hit near 6.8% 40-year high, surging by. In the EU, annual inflation was 5.2% in Nov, up from 4.4% in Oct. In Asian, China's inflation was 2.3% in Nov. And in ASEAN, except Philippines, inflation has been relatively benign, however, rising commodity prices have posed significant near-term risks to the region's inflation.
- For Vietnam, the fourth wave of COVID-19 has brought serious impacts with GDP in 3Q2021 falling by 6.2% YoY, which is the first decline since 2000 on a quarterly basis. For the year 2021, economic growth is estimated at 2.6% which is lower than the previous record low of 2.9% in 2020. In 2021, the response policies are not timely and effective enough to support the economic recovery. The size of Vietnam's fiscal support package so far is estimated to be 202 trillion VND (8.8 billion USD and 2.6% of GDP), mainly in the form of tax and fee deferrals. Despite slower economic growth, financial stability is still supported by fundamental factors such as low inflation (1.8%), maintained balance of payments surplus (5.0% of GDP) and fiscal consolidation (reducing Public Debt/GDP ratio). Looking back over the past year, Vietnam's commercial activities can be seen as a bright spot amid many difficulties. Exports are estimated to increase by 19.0% YoY (compared to 6.9% growth in 2020) and import growth is estimated at 26.5% (compared to 3.7% growth in last year). The trade balance is estimated at 1.5-4.0 billion USD for the year 2021, which can help create a stable foundation for the current trade balance and help Vietnam increase its ability to cope with risks from the external environment.

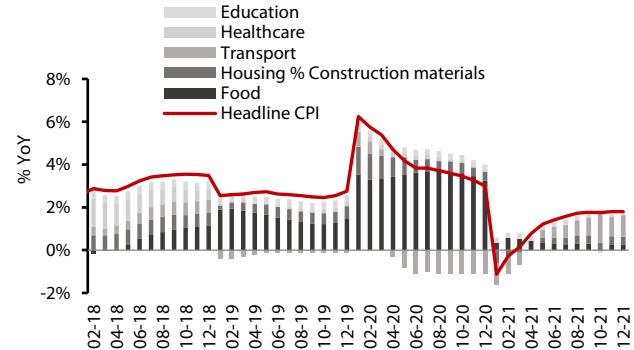
Market commentary: Maintain the good performance

- VN-Index ended up +1.3% to close at 1,498.28, posting a smaller increase than global indices' movement such as SET (5.7%), S&P 500 (4.4%).
- Liquidity of VNIndex sharply fell by -18% MoM, mostly attributed to VN30 (-23% MoM) and VNSmall (-21%). Liquidity on VNMid (-11 % MoM) dropped at a lower pace.
- Foreigners remained as net sellers in December with net selling value of VND -3.2 trillion via order-matching transaction on HOSE. The selling force of foreign investors continuously focused on HPG (-1,532 bn), VPB (-1,353 bn) và MSN (-959 bn).
- Industrials and Utilities were the top two sectors with 10% and 6% MoM returns, respectively. Consumer Staples increased up to 4% MoM. Returns from other sectors varied from -5% to 3%. The underperformance of the banking sector results in the fifth consecutive month underperforming VNIndex of the ENF Fund. Retail money flow was favoring mid and small stocks with stories. We expect the Fund's performance to be boosted after 2Q22 due to the good performance of banking stocks.

Insurance industry: Reforming is coming

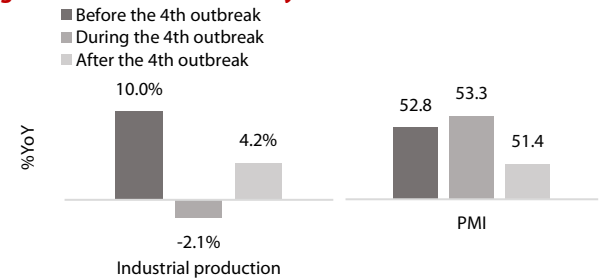
- Earnings of insurance companies have thrived in 2021, as a result of technical factors and claim payment deferral, which we consider temporary. Thanks to strong demand, investment-linked insurance leads the growth of life insurance, along with non-life insurance benefiting from the policy of preferential registration fee for cars manufactured and assembled domestically which comes into effect from December

Figure 1: Vietnam's inflation breakdown



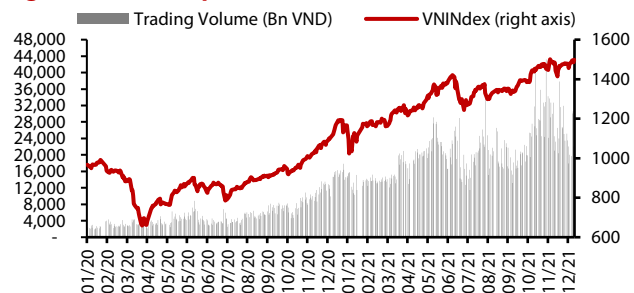
Source: GSO, Rong Viet Securities

Figure 2: Production recovery



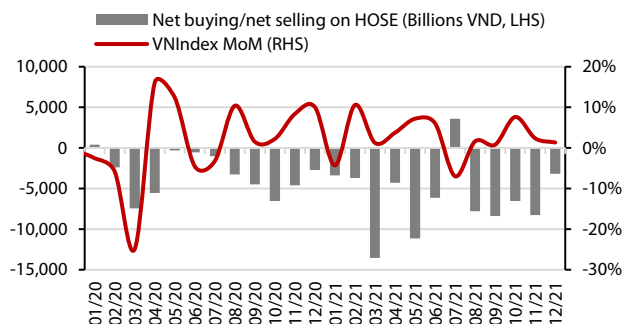
Source: GSO, Rong Viet Securities

Figure 3: VNIndex performance since 2020



Source: Fiiipro, Rong Viet Securities

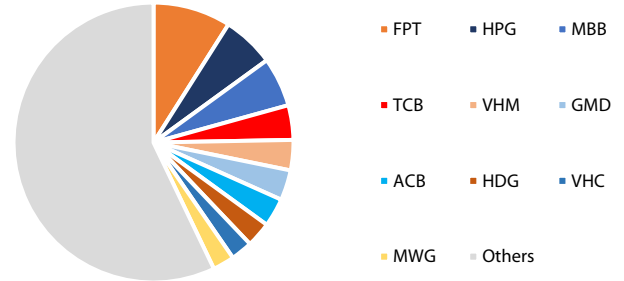
Figure 4: Net buying/selling on HOSE via matching-order transaction versus VNIndex MoM



Source: Fiiipro, Rong Viet Securities

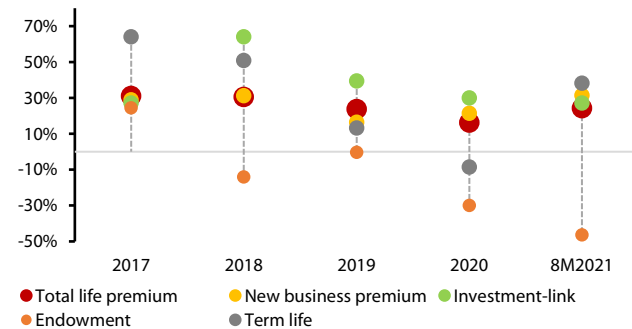
2021 will be the driving force for revenue growth for the insurance industry, however in our opinion, the growth momentum of revenue from insurance premium, although maintained at a high level, is expected to remain stable. Earnings growth prospects may not be as positive as in 2021 and difficulties will come with rising costs. In the long term, there will be structural changes driven by the new insurance business law that is about to be enacted and will come to effect from July 1, 2023.

Figure 5: ENF equity portfolio at the end of 12/2021



Source: ENF, Rong Viet Securities

Figure 6: Yearly NBP growth



Source: ISA, Rong Viet Securities

Sector's valuation (at 12/31/2021)

	%1M	%3M	%YTD	Basic P/E	P/B	ROE	ROA	Dividend yield (%)	PBT growth (YoY, %)	EPS growth (YoY, %)
Oil & Gas	5.7%	11.6%	46.2%	19.1	1.9	11.4%	5.6%	4.7%	-5.1%	305.2%
Basic Materials	-4.1%	2.0%	57.6%	11.3	2.4	24.5%	12.1%	2.4%	-427.0%	21.8%
Industrials	0.1%	17.0%	43.5%	25.8	2.7	10.4%	5.7%	2.8%	-95.3%	39.6%
Consumer Goods	2.1%	8.0%	20.4%	23.7	3.6	17.1%	10.1%	2.3%	-81.3%	-2.9%
Health Care	0.3%	8.1%	28.2%	20.2	2.5	13.9%	9.8%	2.8%	12.7%	21.8%
Consumer Services	0.1%	9.9%	41.9%	n/a	4.7	-109.7%	1.9%	2.0%	-60.7%	-2.4%
Telecommunications	-5.4%	-5.7%	6.5%	192.0	3.5	2.9%	0.5%	1.4%	-10.2%	12.7%
Utilities	1.0%	6.7%	24.1%	16.2	2.3	15.2%	9.2%	4.1%	104.0%	39.0%
Financials	1.4%	22.6%	55.8%	21.9	3.3	15.9%	6.7%	2.0%	144.2%	13.1%
Banks	3.0%	11.2%	42.2%	13.3	2.3	18.8%	1.7%	0.0%	-19.5%	-3.8%
Technology	-1.7%	5.8%	88.5%	23.7	3.8	16.9%	7.4%	1.1%	31.5%	0.2%

Source: Fiinpro, VDSC

Performance of funds under current management of Eastspring Investments Fund Management Limited Liability Company

***Mutual fund (Eastspring Investments Vietnam Navigator Fund (“ENF”))**

Investment objective

Objective of the Navigator Fund is to deliver capital appreciation through exposure to multiple asset classes, including equity, bond, and bank deposit.

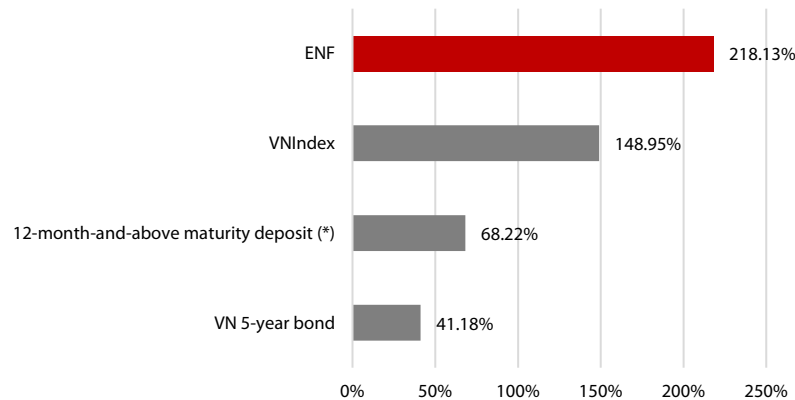
Actively navigate the market through dynamic asset allocation to provide participation in equity upside when stock markets are performing well, while having a softening effect when stock markets are not performing well.

Fund details

Supervisor Bank	HSBC (Vietnam) Ltd.	Max. Investment	No limit
Total NAV	VND 217.3 billion	Min. Balance	100 units
Min. Initial Investment	VND 2,000,000	Min. Redemption	100 units
Min. Subsequent Investment	VND 1,000,000	Fund dealing frequency	Weekly

Source: EIFMC

Cumulative performance of ENF vs other assets ()**



Source: EIFMC, Rong Viet Securities

Fund fees & charges

Subscription fee	Up to 3%
Annual management fee	1.5% per annum of total NAV
Custodian, Supervisory, Transfer Agent & other fees	Up to 0.25% per annum of total NAV

Source: EIFMC

Commentary

Since inception until December 31st 2021, the ENF Fund has performed better than some other investment channels such as savings deposit with 12-months-and-above maturity, five-year Vietnam Government bond, and stocks (VNIndex excluding dividends). The Fund also has lower maximum drawdown (-23.2%) and average drawdown (-7.2%) than those of the VNIndex (-45.3% and -11.8% respectively) in the same period. In 2020, the ENF Fund increased by 17.1%, higher than the rise of the stock market (14.9%). After 12M2021, the ENF fund maintained its momentum and rose 35.8%, while the stock market gained 35.7%. We expect the stock portfolio focusing on Banking and Real Estate - two main pillars of the economy, and growth sectors – IT and Manufacturing, to help the Fund continue to outperform the stock market.

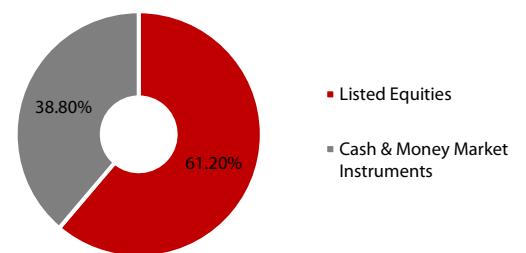
Cumulative return of ENF and other assets (%) ()**

Since ENF inception	ENF	VNIndex	VN 5-year bond	12-month-and-above maturity deposit (*)
Cumulative return	218.13%	148.95%	41.18%	68.22%
Annual return	16.05%	12.45%	4.53%	6.92%

Source: EIFMC, Rong Viet Securities



Asset Allocation



Source: EIFMC

(*) Calculating data before March 2021 uses average 12-month-and-above maturity deposit rate from weekly SBV announcement. From March 2021, data is calculated by averaging 12-month, 18-month, 24-month and 36-month maturity deposit rates quoted by 10 largest banks in terms of deposit market share in 2020, namely BIDV, Agribank, Vietinbank, Vietcombank, SCB, MB Bank, Sacombank, ACB, Techcombank and SHB.
 (**) Past performance is not necessarily a guide to the future or likely performance of any particular fund, nor EIFMC. An investment in securities investment funds is subject to investment risks, including the possible loss of the principal amount invested. Potential investors may wish to seek advice from a financial adviser before purchasing any fund unit.

Performance of funds under current management of Eastspring Investments Fund Management Limited Liability Company

6 PRUlink Funds

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...).

Net return of PRUlink Funds (%)

Year/ Assets	PRUlink Vietnam Equity Fund	PRUlink Growth Fund	PRUlink Balance Fund	PRUlink Stable Fund	PRUlink Bond Fund	PRUlink Presever Fund	3-month maturity deposit interest	12-month-and- above maturity deposit interest	Five-year Vietnam government bond return	VNIndex
2016	13.83%	12.69%	11.63%	10.45%	8.73%	3.89%	4.76%	6.82%	6.63%	14.82%
2017	56.58%	42.01%	32.46%	23.29%	10.87%	4.00%	4.81%	6.80%	5.52%	48.03%
2018	-9.22%	-4.52%	-1.51%	1.39%	5.63%	4.74%	4.41%	6.90%	4.31%	-9.32%
2019	9.75%	10.56%	10.98%	11.41%	12.19%	5.50%	5.30%	6.93%	4.46%	7.67%
2020	16.38%	16.02%	14.69%	12.48%	9.01%	5.55%	4.48%	7.09%	1.92%	14.87%
12M2021	40.22%	28.62%	20.78%	13.22%	2.75%	4.18%	3.39%	6.18%	1.17%	34.61%

Source: EIFMC, Rong Viet Securities

Note:

- Return of our funds is calculated based on the date of reported NAV. There could be difference between this return and return calculated at the end of the month. The PRUlink Funds' net return after 12M2021 have not been audited and provided by EIFMC and Rong Viet Securities and may be adjusted at the end of the financial year. Past performance is not necessarily a guide to the future. Customers are entitled to investment results and bear corresponding risks and should refer the terms and conditions of the insurance products for further information.
- 3-month maturity deposit interest is average of monthly quoted interest rates from three listed State-owned banks at the time of roll over (not including Vietcombank during 2015 – 2017 due to lack of data), 12-month-and-above maturity deposit interest before March 2021 is average rate from weekly SBV announcement, 12-month-and-above maturity deposit interest after March 2021 is calculated by averaging 12-month, 18-month, 24-month and 36-month maturity deposit rates quoted by 10 largest banks in terms of deposit market share in 2020, namely BIDV, Agribank, Vietinbank, Vietcombank, SCB, MB Bank, Sacombank, ACB, Techcombank and SHB, and five-year Vietnam government bond return has been calculated by Rong Viet Securities after it randomly selects a Vietnam government bond with duration of (or closest to) 5 years.

Commentary

- Regarding the investment trust from Prudential, for the past 5-year period from 2016 to 2020, cumulative net returns of all funds have increased sharply, in a range of 26.0% and 106.7%. Of which PRUlink Vietnam Equity Fund had the highest growth with accumulated net return of 106.7%, followed by the PRUlink Growth Fund with cumulative net return of 96.0%.
- The PRUlink Vietnam Equity Fund recorded the best results after 12M2021 with 40.22%, followed by the PRUlink Growth Fund (28.62%) and PRUlink Balance Fund (20.78%). The PRUlink Vietnam Equity Fund (40.22%) also had better performance than the Vietnamese stock market (VNIndex, 34.61%).

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

DISCLAIMER

This newsletter is solely for information and may not be published, circulated, reproduced or distributed in whole or part to any other person without the prior written consent of both Rong Viet Securities Corporation (VDSC) and Eastspring Investments Fund Management Limited Liability Company (EIFMC). The information presented on Pages 1 & 2 of this newsletter is exclusively provided by VDSC through demonstration of personal view of its writer after having taken all reasonable care during collection and analysis of information collected from the market and other sources to ensure that the information contained in this newsletter is not untrue or misleading at the time of publication, however, VDSC and EIFMC cannot guarantee the accuracy or completeness of such information. Any opinion or estimate contained in this document is subject to change without notice. The predictions, projections, or forecast on the economy, securities markets or the economic trends of the markets are not necessarily indicative of the future or likely performance of our companies or any funds managed by us.

This newsletter is for information of existing and potential investors of EIFMC, including but not limited to investors of Eastspring Investments Vietnam Navigator Fund (ENF) and investment unit linked funds of Prudential Vietnam Assurance Private Limited being managed by EIFMC. The provided information is not an offer or solicitation of an offer for the purchase of any fund unit and nothing herein should be construed as a recommendation to transact in any investment product of VDSC or EIFMC. The graphs or charts presented and securities mentioned in this newsletter is for illustrative purposes only, and should not be construed as an offer or solicitation for the subscription, purchase or sale of any securities mentioned herein, despite that the investment portfolios of EIFMC may from time to time coincidentally include any or all of securities mentioned in the newsletter.

Fund documents such as ENF Prospectus and Charter are available and may be obtained through website of EIFMC or any of its appointed distributors, and fund documents related to investment linked funds are provided by Prudential Vietnam Assurance Private Limited. All applications for fund units must be made on the manner described in the fund documents. ENF units are not available to US persons. Potential investors should read carefully fund documents before deciding whether to subscribe for or purchase fund units. Investments in investment funds are not deposits or other obligations of, or guaranteed or insured by the fund manager or any of its related corporations. An investment in fund units is subject to investment risks, including the possible loss of the principal amount invested. Past performance is not necessarily a guide to the future or likely performance of any particular fund, nor EIFMC. The value of fund units and any income accruing to the units, if any, may fall or rise. Potential investors may wish to seek advice from a financial adviser before purchasing any fund unit.

VDSC is a securities company established and operating under the law of Vietnam, providing the services of issuing this newsletter. EIFMC is an ultimately wholly-owned subsidiary of Prudential plc. The Company and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with the Prudential Assurance Company, a subsidiary of M&G plc, a company incorporated in the United Kingdom.