

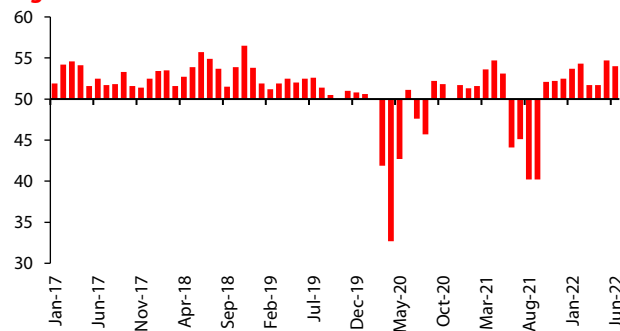
**Macroeconomy commentary:**

- At the moment, the global macro has shown some initial signs of hope for the oil price, which has fallen more than 10% from its peak. This was notably true of the price decline that followed the OPEC+ meeting where it was decided to boost output from July 22 to August 22. Furthermore, data on import-export, logistics, PMI, and ISM indicate that the Chinese economy is beginning to show signs of recovery as of June 22. Signs of China's economic recovery are bringing expectations of a recovery in global growth, as well as reducing inflationary pressures as world supply chains and trade gradually return. However, the signals have only improved in the first month and more time is needed to verify the effectiveness of Chinese government policies.
- Economic growth in the second quarter of 2022 reached 7.7% over the same period, of which the agricultural sector increased by 3.0%, industry and construction increased by 8.9% and services increased by 8.6%. While the industrial production sector recovered as expected, the service sector showed better resilience in the second quarter. Specifically, the industrial production sector increased by 11.5% over the same period, higher than the growth of 7.8% in the first quarter. Meanwhile, the wholesale and retail sectors' growth accelerated from approximately 3.0% in the first quarter to 8.3% in the second quarter, and the accommodation and food services' growth changed from a negative growth of 1.8% in Q1 to positive growth of 25.9% in Q2.
- Prominent growth sectors in the manufacturing sector were textiles and garments (+26.8% in Q2 vs. 20.1% in Q1), drugs, pharmaceutical chemicals (+24.6% in Q2 vs. 10.0% in Q1), electronics (+14.7% in Q2 vs. 7.6% in Q1), beverages (+15.1% in Q2 vs. 5.6% in Q1) and wood (10.3% in Q2 vs. 0.6% in Q1). In terms of output, seafood, beer, and urea production showed improved growth compared to the previous quarter. For the service sector, positive growth sectors were food retail (+13.7% in 1H vs. 11.0% in Q1), accommodation and catering services (+20.9% in 1H vs. 1.2% in Q1) and tourism (+94.4% in 1H vs. 1.9% in Q1). Compared to the pre-epidemic levels, retail sales of accommodation, catering and tourism services are still 6.2% and 60.9% lower compared to the levels recorded in the 1H2019. However, retail sales of these two sectors in June alone showed signs of a recovery, with a decrease of 2.5% and 36.3% respectively compared to June 2019. The tourism sector has not returned to pre-pandemic levels mainly because the number of international visitors is still low: only 7.1% of international arrivals to Vietnam in 1H19. Although the number of international visitors strongly accelerated in June, it only reached 20% compared to the level recorded in June 2019. Domestic tourism demand is the driving force for the recovery with the number of domestic tourists in the first half reaching 60.8 million (1.4 times higher than that in 2019).

**Market commentary: Retest the last trough**

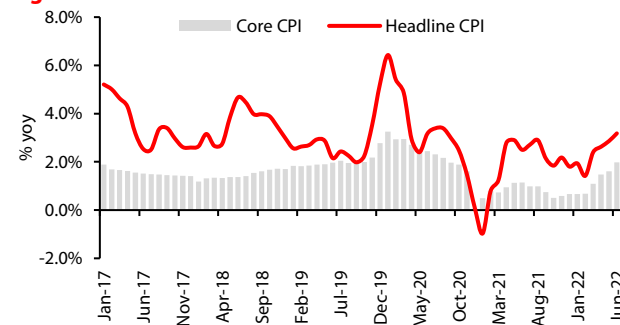
- VN Index moved sideways in the first 10 days before strongly correcting following the global market's bearish sentiment and reached the previous trough at 1,162.09. The correction was in line with other indices such as S&P 500 (-8.4%), SET (-5.7%), KOSPI (-13.2%), NIKKEI (-3.3%).
- Foreigners maintained their net buy position in June with a net value of VND 1,770 billion via order-matching orders on HoSE. In June, net capital inflows from foreign investors focused on disbursing in a few outstanding tickers such as DPM (VND 649 bn),

**Figure 1: Vietnam PMI**



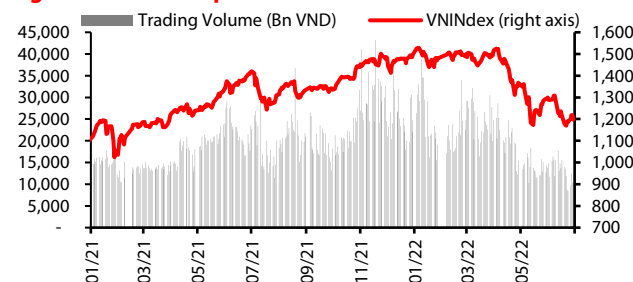
Source: GSO, Rong Viet Securities

**Figure 2: Vietnam CPI**



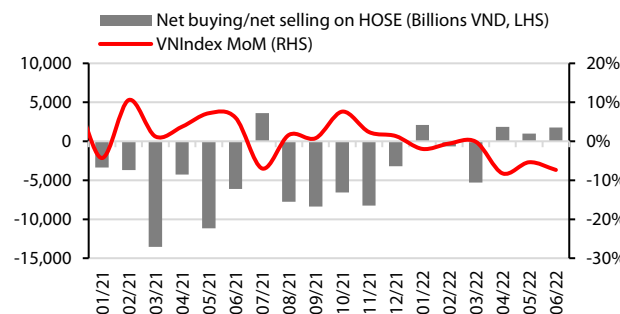
Source: GSO, Rong Viet Securities

**Figure 3: VN-Index performance since 2021**



Source: Fiinpro, Rong Viet Securities

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



Source: Fiinpro, Rong Viet Securities

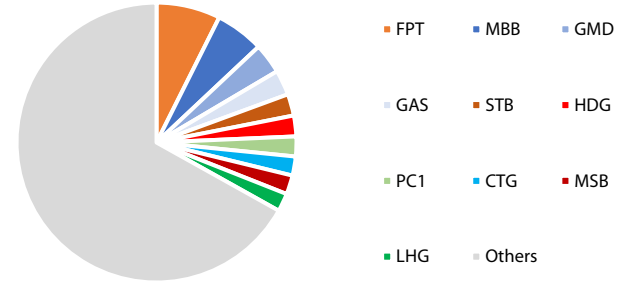
CTG (VND 530 bn) and MSN (VND 460 bn). On the other hand, VIC (VND -628 bn), HPG (VND -580 bn) and NVL (VND -500 bn) were net sold the most.

- The optimism of the ETFs inflow (~USD 57mn) was maintained in June and outweighed the divergence among funds. This net largest inflow was led by Fubon FTSE Vietnam ETF (foreign fund) and VFMVN Diamond ETF (domestic fund). On the foreign ETF side, iShares MSCI Frontier and Select EM ETF recorded the largest net withdrawal with USD 12.1 mn, while Fubon created more baskets with a huge net inflow of USD 46.2 mn.
- Among sectors, there were three over ten sectors having positive returns in June. Utilities was still the leading sector with a return of 1.7% MoM. The other two gainers were Consumer Discretionary (+0.4%) and Consumer Staple (+0.03%). On the flip side, Materials sector still got the hardest hit with -16.8% return, along with Energy sector (-15.4%) and Industry sector (-13.7%). The ENF Fund continued to outperform VN-Index in June (-2.8% vs -7.4%, respectively) thanks to the appropriate reallocation. We expect the VN-Index to regain its momentum soon as the earnings season is coming. Banks are likely to be the driver, helping the Fund to continue to outperform the market in July.

**Banking sector: The continuous pressure motivates accommodative interventions**

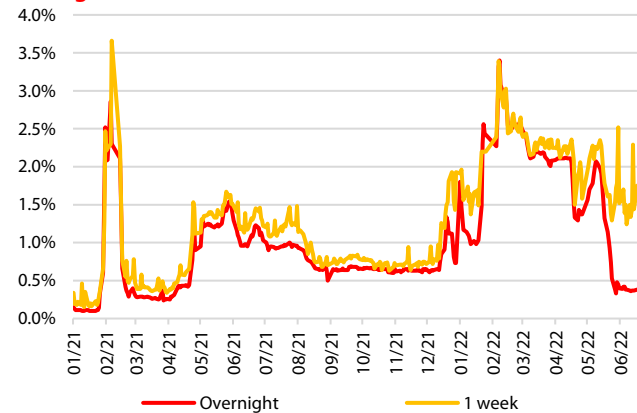
- The highly negative USDVND rate gap put pressure on the exchange rate. The SBV has started doing outright bill sales with short-dated term, substantial amount and auctioned interest rate. It is probable that this intervention is to withdraw VND and propel VND interbank rates for the short terms, thereby, narrowing the swap rate gap, monitoring the pace of exchange rate and relieving the pressure on FX reserves.
- The overnight rate nearly doubled from 0.85 - 0.90% to 1.5 - 1.6% and stayed high. USD rates were quoted at 1.5-1.7% for the 1-week term and 1.6-1.8% for the 2-week term. As a result, the USDVND swap rate gaps deepened in the negative zone on June 16.

**Figure 5: ENF equity portfolio at the end of 06/2022**



Source: ENF, Rong Viet Securities

**Figure 6: Overnight and one-week interbank rates (% average)**



Source: Fiinpro, Rong Viet Securities

**Sector's valuation (at 06/30/2022)**

	%1M	%3M	%YTD	Basic P/E	P/B	ROE	ROA	Dividend yield (%)	PBT growth (YoY, %)	EPS growth (YoY, %)
Oil & Gas	-3.9%	-14.5%	-5.9%	15.7	1.7	13.3%	6.9%	4.6%	4.8%	364.6%
Basic Materials	-11.5%	-30.7%	-29.6%	6.5	1.5	27.9%	16.3%	5.6%	-236.4%	30.9%
Industrials	-8.7%	-24.6%	-19.0%	18.6	1.9	12.6%	6.9%	5.2%	-2.8%	60.7%
Consumer Goods	-2.3%	-11.7%	-12.9%	16.3	2.8	22.3%	11.9%	1.5%	-304.9%	49.7%
Health Care	-5.2%	-16.8%	-16.8%	14.8	1.7	15.2%	10.7%	3.7%	18.6%	6.6%
Consumer Services	-5.3%	-17.5%	-10.8%	n/a	3.9	15.4%	3.4%	6.0%	92.3%	143.3%
Telecommunications	-17.1%	-28.8%	-21.4%	40.6	2.6	8.5%	3.7%	6.3%	49.6%	-2.2%
Utilities	-1.3%	-1.9%	2.8%	15.5	2.2	16.3%	10.0%	3.8%	104.1%	20.2%
Financials	-10.1%	-24.6%	-29.9%	17.4	2.2	13.0%	5.8%	5.9%	14.6%	27.6%
Banks	-7.0%	-21.1%	-19.4%	9.8	1.7	18.5%	1.8%	0.0%	51.3%	1.7%
Technology	-5.5%	-6.5%	4.0%	19.9	3.5	20.0%	8.3%	8.9%	80.8%	104.9%

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**

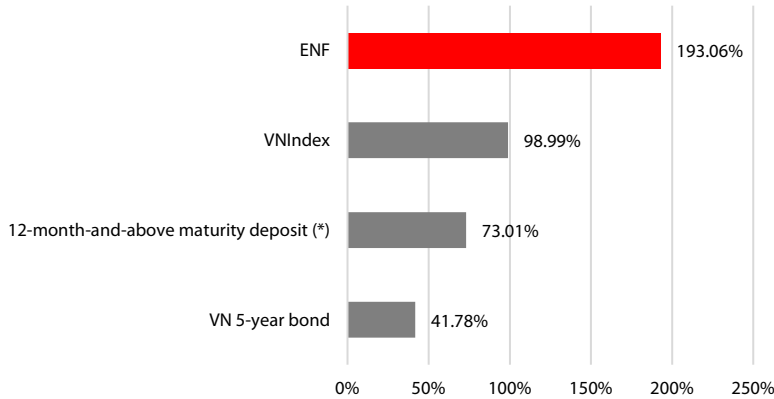
Objective of the Navigator Fund is to deliver capital appreciation through exposure to multiple asset classes, including equity, bond, and bank deposit. Actively navigate the market through dynamic asset allocation to provide participation in equity upside when stock markets are performing well, while having a softening effect when stock markets are not performing well.

**Fund details**

<b>Supervisor Bank</b>	HSBC (Vietnam) Ltd.	<b>Max. Investment</b>	No limit
<b>Total NAV</b>	VND 200.7 bn	<b>Min. Balance</b>	100 units
<b>Min. Initial Investment</b>	VND 2,000,000	<b>Min. Redemption</b>	100 units
<b>Min. Subsequent Investment</b>	VND 1,000,000	<b>Fund dealing frequency</b>	Weekly

Source: EIFMC

**Cumulative performance of ENF vs other assets (\*\*)**



Source: EIFMC, Rong Viet Securities

**Fund fees & charges**

<b>Subscription fee</b>	Up to 3%
<b>Annual management fee</b>	1.5% per annum of total NAV
<b>Custodian, Supervisory, Transfer Agent &amp; other fees</b>	Up to 0.25% per annum of total NAV

Source: EIFMC

**Commentary**

Since inception until June 30<sup>th</sup> 2022, 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 (VN-Index excluding dividends). The Fund also has lower maximum drawdown (-23.2%) and average drawdown (-7.0%) than the VN-Index (-45.3% and -11.5% respectively). In 2021, the ENF Fund increased by 35.8%, slightly higher than the stock market (35.7%). After 6M2022, the ENF fund stayed resilient with a -7.9% decline, while the stock market was down by -20.1%. We expect the Fund’s selective and diversified stock portfolio including Banking and Real Estate - two main pillars of the economy, and growth sectors – Technology and Manufacturing, to help the Fund continue outperforming the stock market.

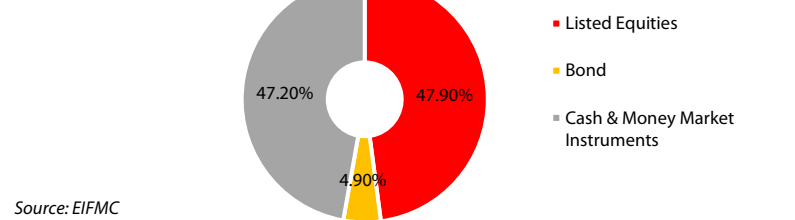
**Cumulative return of ENF and other assets (%) (\*\*)**

Since ENF inception	ENF	VN-Index	VN 5-year bond	12-month-and-above maturity deposit (*)
<b>Cumulative return</b>	193.06%	98.99%	41.78%	73.01%
<b>Annual return</b>	13.88%	8.67%	4.31%	6.85%

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 Preserver Fund	3-month maturity deposit interest	12-month-and- above maturity deposit interest	Five-year Vietnam government bond return	VN-Index
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%
2021	39.96%	28.54%	20.81%	13.34%	2.98%	4.19%	3.39%	6.20%	1.17%	35.73%
6M2022	-13.02%	-9.65%	-7.26%	-4.80%	-0.87%	2.16%	1.69%	2.86%	0.43%	-19.41%

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 in 6M2022 has 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 2017 to 2021, cumulative net returns of all funds have increased sharply, in a range of 26.4% and 154.1%. Of which PRUlink Vietnam Equity Fund had the highest growth with accumulated net return of 154.1%, followed by the PRUlink Growth Fund with cumulative net return of 123.6%.
- The PRUlink Preserver Fund recorded the best results after 6M2022 with 2.16%, followed by the PRUlink Bond Fund (-0.87%) and PRUlink Stable Fund (-4.80%). The PRUlink Vietnam Equity Fund (-13.02%) also outperformed the Vietnamese stock market (VN-Index, -19.41%) in the same period.

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