

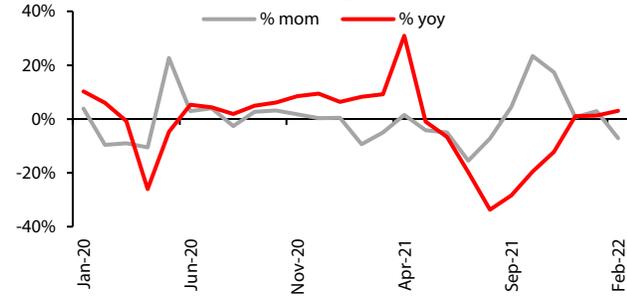
**Macroeconomy commentary:**

- In the US, inflation hit a high of 7.5% YoY in January, up from the forecast of 7.3%, which was driven by sharp increases in energy prices, labor shortages and supply chain disruptions. In the EU, annual inflation was 5.8% in February, up from 5.1% in January. In Asia, China's inflation recorded a remarkably low level in January at 0.9%. In ASEAN, regional inflation rose to 2.9% in January, inflation in the region is expected to pick up from 2021 levels due to increased consumer spending and expansionary monetary policies is still maintained. Rising food and energy prices have fueled higher inflation in many countries. Besides, tensions between Russia and Ukraine could push energy prices further up.
- In Vietnam, although the number of infections is very high, the number of deaths is still under control thanks to high vaccine coverage. As of 01 Mar 2022, about 78.6% of the population had been fully vaccinated and 40% of the population received the 3rd dose. Accordingly, economic activities are relatively normal after the Tet holiday. Specifically, manufacturing activity showed a persistent recovery with PMI recorded at 54.3 points in Feb 2022 (up from 53.7 points in Jan 2022). Along with that, the manufacturing and processing industry production index increased by 10% over the same period, equivalent to the average growth rate of this sector during the pre-pandemic period.
- Thanks to the Tet holiday, tourism and entertainment activities recorded positive year-on-year growth for the first time after declining in the past 9 consecutive months. Accommodation, food and beverage services and tourism and entertainment increased by 12.6% YoY and 39.4% YoY, respectively. The VAT reduction policy (from 10% to 8%) was officially effective in Feb, however, we observe that the recovery of domestic demand is still very weak. Merchandise retail sales growth was only 2.4% YoY in February, there is no growth if excluding the price factor. The impact of the VAT reduction is significantly weakened due to the sharp increase in fuel prices in recent times due to geopolitical risks from the Russia-Ukraine war.

**Market commentary: Slight recovery**

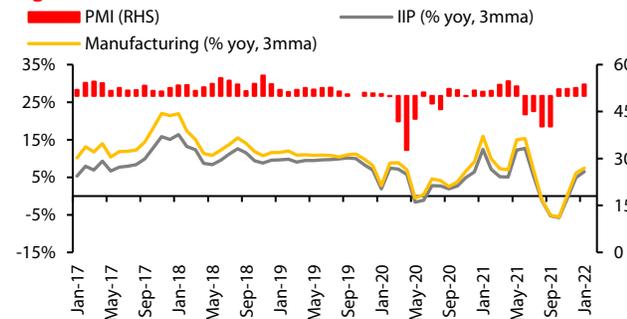
- After the Tet holiday, the VN Index improved and surpassed 1,500 after the first 3 weeks of February. However, Ukraine-Russia political intensity had negative effects on the recovery of VN Index, thus downgrading the VN Index to go behind 1,500 points since February 24. Eventually, the VN Index ended up +0.76% to close at 1,490.13. Compared to other markets, the VN Index outperformed other indices such as S&P 500 (-3.14%), Nikkei (-1.76%). The HNX Index even improved better with a 5.68% MoM gain.
- Foreigners became net sellers in February with a net selling value of VND 650 billion (or USD 28.5 Mn) via order-matching orders on HOSE given the conservativeness over the escalated political issue between Ukraine and Russia.
- Both foreign and domestic ETFs money flows exhibited mixed results. On foreign ETF fund side, FTSE recorded net outflows of 1.2 Mn while Fubon received net inflows of 15.6 Mn USD. The mixed picture also happened with domestic ETF flows, VN Diamond experienced net inflows of 14.7 Mn USD while E1VFN30 had significant net outflows of 42.7 Mn USD.
- The Energy sector was the leading group with 15.11% MoM. This sector was driven by Oil & gas stocks, notably PSH with +36% MoM return. The Materials sector (+14.43%

**Figure 1: Vietnam's retail sales growth**



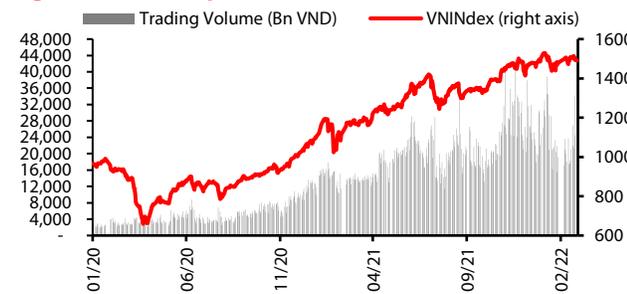
Source: GSO, Rong Viet Securities

**Figure 2: Vietnam's Industrial Production and PMI**



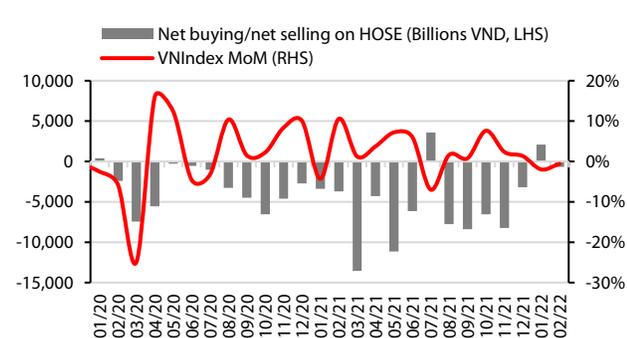
Source: GSO, Rong Viet Securities

**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**



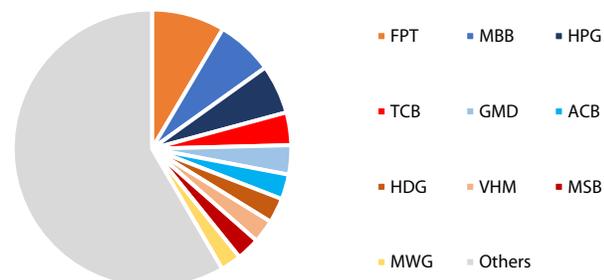
Source: Fiiipro, Rong Viet Securities

MoM) was driven by Steel stocks with noticeable tickers as NKG (+40%) and HSG (+26%). On the flip side, Real estate sector and Financials sector recorded negative returns 4.42% and 2.04%, respectively. The strong pullback of Materials stocks was a supportive factor to the ENF Fund, but the continuous fall of the banking sector hampered the growth. The ENF Fund outperformed VNIndex in February (+3.3% versus +0.8% respectively). We expect the market to stay volatile in the coming months due to the uncertainty of global geopolitics.

### Seafood industry: Impressive growth in early 2022

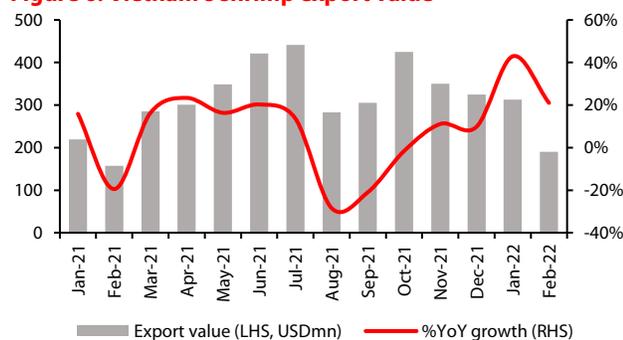
- Per MoIT, Vietnam's seafood exports soared strongly in the first two months. Pangasius and shrimp export value surged 83% YoY and 34% YoY in the period, respectively, driven by the increase of both export volumes and export prices. Per VASEP, in January 2022, seafood export value grew strongly 82%, 64% and 62% to the US, EU and China, respectively. Tight supply and high demand are key drivers to boost seafood exports in 2022. High raw material prices lead to high selling prices, especially pangasius. Costs for all seafood reached new highs as energy, feed commodity, labor, and freight costs increased sharply. And elevated input prices are expected to remain through at least the first half of 2022. Inflation is being a major issue impacting the food industry this year. However, we realize that this will hurt the seafood sector less than others and even could benefit seafood products in terms of demand. Besides, Russia's Ukraine invasion could benefit Vietnam's pangasius companies exporting to China.

**Figure 5: ENF equity portfolio at the end of 02/2022**



Source: ENF, Rong Viet Securities

**Figure 6: Vietnam's shrimp export value**



Source: VASEP, Rong Viet Securities

### Sector's valuation (at 02/28/2022)

	%1M	%3M	%YTD	Basic P/E	P/B	ROE	ROA	Dividend yield (%)	PBT growth (YoY, %)	EPS growth (YoY, %)
Oil & Gas	13.6%	25.4%	18.6%	20.3	2.2	12.5%	6.3%	5.5%	169.4%	-12.3%
Basic Materials	13.3%	-5.3%	-1.2%	10.2	2.2	26.7%	13.8%	2.0%	88.2%	237.5%
Industrials	7.9%	2.8%	2.7%	23.9	2.6	11.6%	6.3%	2.9%	-38.2%	114.0%
Consumer Goods	4.2%	-0.4%	-2.4%	18.6	3.1	21.3%	11.4%	2.5%	-1.8%	128.4%
Health Care	9.5%	0.7%	0.5%	19.5	2.2	14.0%	10.1%	3.0%	21.0%	28.1%
Consumer Services	9.5%	4.7%	4.6%	n/a	4.5	-114.1%	2.1%	3.7%	220.8%	36.9%
Telecommunications	4.8%	-8.2%	-3.0%	260.2	3.5	2.3%	0.6%	1.5%	-22.4%	14.7%
Utilities	4.0%	10.3%	9.3%	18.7	2.4	15.0%	9.4%	3.7%	62.4%	106.7%
Financials	-1.9%	-6.6%	-7.9%	21.8	2.9	15.0%	6.5%	2.4%	218.2%	147.3%
Banks	-4.4%	6.8%	3.8%	13.6	2.3	18.5%	1.7%	0.0%	61.6%	37.4%
Technology	4.6%	-3.4%	-1.8%	20.4	3.4	18.5%	7.9%	1.1%	824.9%	2077.1%

Source: Fiipro, 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.

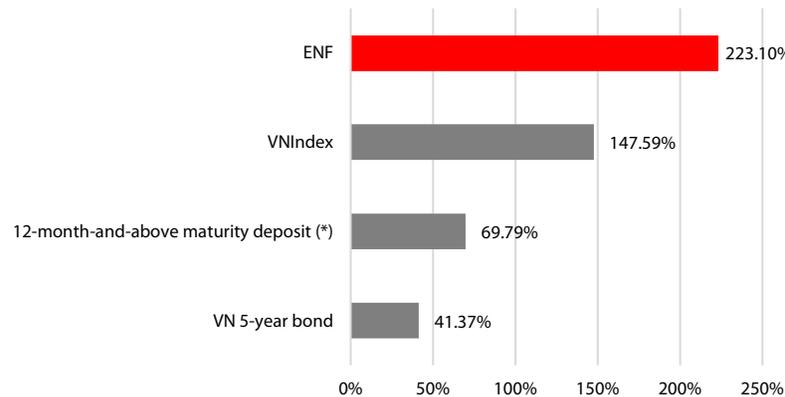
Actively navigate the market through dynamic asset allocation to provide participation in equity upside when stock markets are performing well, while having a softening effect when stock markets are not performing well.

**Fund details**

<b>Supervisor Bank</b>	HSBC (Vietnam) Ltd.	<b>Max. Investment</b>	No limit
<b>Total NAV</b>	VND 221.1 billion	<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 February 28<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 (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 2021, the ENF Fund increased by 35.8%, slightly higher than the rise of the stock market (35.7%). After 2M2022, the ENF fund maintained its momentum and rose 1.6%, while the stock market was down by -0.5%. 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 outperforming the stock market.

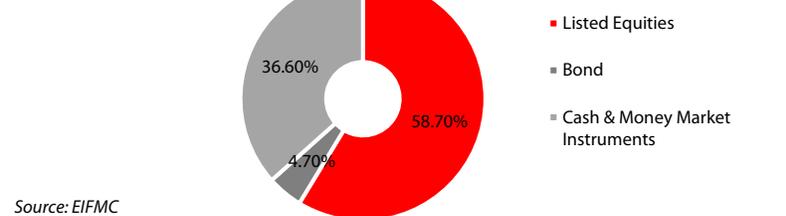
**Cumulative return of ENF and other assets (%) (\*\*)**

Since ENF inception	ENF	VNIndex	VN 5-year bond	12-month-and-above maturity deposit (*)
<b>Cumulative return</b>	223.10%	147.59%	41.37%	69.79%
<b>Annual return</b>	15.92%	12.10%	4.46%	6.90%

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
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	40.22%	28.62%	20.78%	13.22%	2.75%	4.18%	3.39%	6.18%	1.17%	34.61%
2M2022	1.20%	1.02%	0.88%	0.73%	0.50%	0.61%	0.56%	0.94%	0.14%	0.28%

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 2021 and 2M2022 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 2017 to 2021, cumulative net returns of all funds have increased sharply, in a range of 26.4% and 154.6%. Of which PRUlink Vietnam Equity Fund had the highest growth with accumulated net return of 154.6%, followed by the PRUlink Growth Fund with cumulative net return of 123.7%.
- The PRUlink Vietnam Equity Fund recorded the best results after 2M2022 with 1.20%, followed by the PRUlink Growth Fund (1.02%) and PRUlink Balance Fund (0.88%). The PRUlink Vietnam Equity Fund (1.20%) slightly outperformed the Vietnamese stock market (VNIndex, 0.28%).

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