

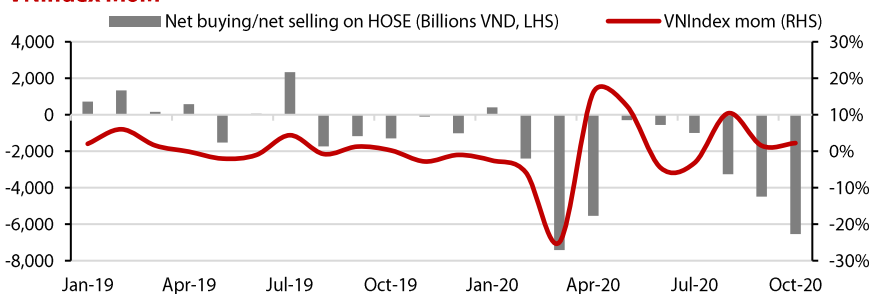
Macroeconomy commentary: Positive improvement in economic recovery

- The pace of recovery strongly picked up in Oct 2020 as both the industrial production index (IPI) and retail sales expanded faster in Oct 2020 compared to last month. To be specific, IPI grew 3.6% MoM and 5.4% YoY in Oct 2020 vs. 2.3% MoM and 4.8% YoY in Sep 2020. Meanwhile, retail sales accelerated to 6.1% YoY in Oct 2020 from 4.9% YoY in Sep 2020, led by retail sales of goods (+11.0% YoY). Leading indicator also indicated a steady recovery ahead with manufacturing PMI in Oct 2020 posted 51.8, down marginally from 52.2 in Sep 2020. We keep our forecast for 2020 GDP growth at 2.7%, however, based on current pace of recovery, growth momentum could surprise to the upside.
- On the fiscal policy front, the expansion in public investment continued, State investment expenditure increased by 38.4% YoY as of 15 Oct 2020 vs. an increase of 35.0% in last month. Due to the impact of COVID-19 pandemic, fiscal deficit could deteriorate to 5.0% of GDP this year, worse than the target of 3.4% of GDP set in early 2020. This figure could be higher at 5.6% of GDP if the government could not sell its stake in SOEs.
- On the monetary policy front, many banks continued to cut their deposit interest rates by 0.1-0.5% pts this month. At the same time, banks also lowered lending interest rates to push credit growth in the last quarter of this year. As of 26 Oct 2020, credit growth is estimated at 6.15% YTD, expanded at slow pace vs. an increase of 6.05% YTD at the end of Sep 2020.

Market commentary: VN30 supported the rise

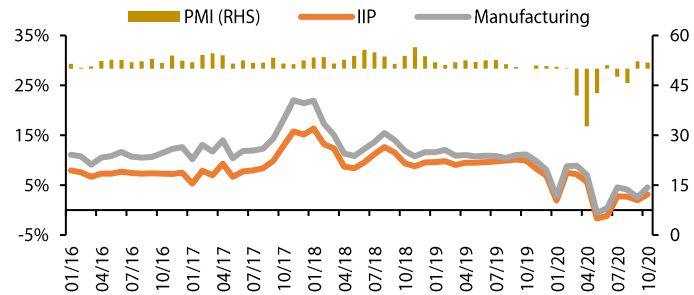
- VN-Index edged up 2% MoM to finish at 925.47 and was among the best-performing markets in the world by outperforming other indices such as SET (-3.4%), KOSPI (-2.6%), S&P 500 (-2.8%) for a third consecutive month.
- The average liquidity in HOSE via matching orders was VND 7.2 trillion (+31% MoM). The VN30 accounted for 56% of the VN Index liquidity, a growth of 68% MoM in October. The VN30 went up 2.9% MoM while VNMid and VNSmall experienced negative returns. The MSCI update was a main reason for the VN30 to rally given the expectations from new inflows into the largest frontier market.
- Foreign investors returned as net seller on HOSE. In terms of matching-order transactions, they sold intensively with a net value of VND 6.5 trillion (+44% MoM). This brought October to be the largest net selling month in the last six months.

Figure 5: Net buying/selling on HOSE via matching-order transaction versus VNIndex MoM



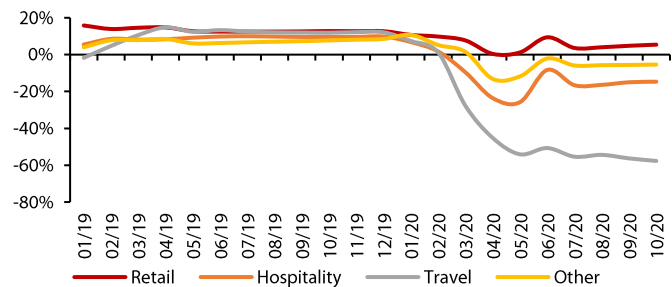
Source: Fiinpro, Rong Viet Securities

Figure 1: Industrial production and manufacturing growth (% YoY, 3mma)



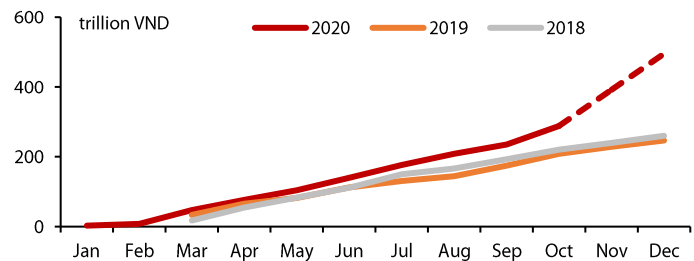
Source: GSO, HIS Nikkei, Rong Viet Securities

Figure 2: Retail sales growth by category (%YoY)



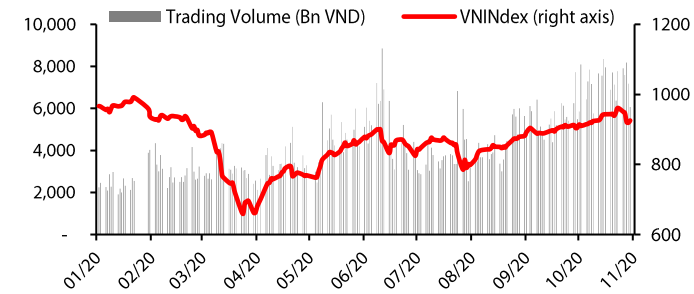
Source: Customs, Rong Viet Securities

Figure 3: Public investment disbursement



Source: GSO, Rong Viet Securities

Figure 4: VNIndex performance in 2020



Source: Fiinpro, Rong Viet Securities

Residential real estate sector: Q3 2020 witnessed some recovery

In Q3 2020, the residential real estate market recovered strongly with total sold units at 9,813, +44% QoQ while new launches also showed good progress at 22,602 units, +23% QoQ versus Q2 2020. However, new launches in the condo segment in Ha Noi and HCMC still recorded a drop of 52% and 33% YoY, respectively as the market has not fully recovered.

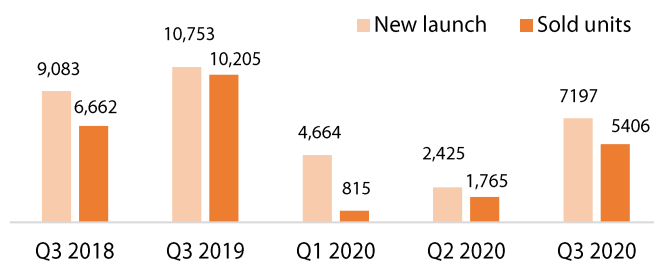
Ho Chi Minh

According to the Vietnam National Real Estate Association, HCMC had 12,530 launched units as of Q3 2020 (mainly condo), up by 22% QoQ. Total sold units reached 9,408, an increase of 71% QoQ. HCMC launches were better absorbed this quarter compared to previous quarter with a rate of 75%.

Ha Noi

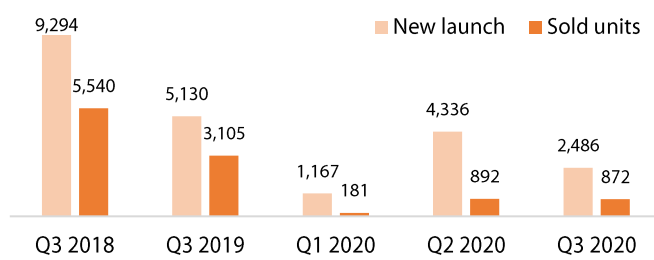
In Q3 2020 a total of 2,486 units were launched, a decrease of 43% QoQ and 52% YoY. Sold units reached 872, a drop of 0.2% QoQ and 72% YoY. In the past 2-3 years, almost no new projects have been approved for investment. New supply was mostly from previously projects, making new supply in Q3 2020 quite low compared to a city more than ten million people. The price of mid-end and high-end apartments continued to be flat while the affordable segment slightly increased by 3-5% QoQ.

Figure 6: New launches and sold units in HCM during 2018 – 2020



Source: VNRea, VDSC

Figure 7: New launches and sold units in HN during 2018 – 2020



Source: VNRea, VDSC

Sector's valuation (at 31/10/2020)

	%1M	%3M	%YTD	Basic P/E	P/B	ROE	ROA	Dividend yield (%)	PBT growth (YoY, %)	EPS growth (YoY, %)
Oil & Gas	-3.8%	16.8%	-11.4%	n/a	1.14	1.22%	0.14%	9.23%	-22.15%	-9.35%
Basic Materials	7.7%	30.8%	33.8%	15.22	1.33	11.95%	5.78%	5.04%	-11.59%	39.66%
Industrials	-2.9%	12.4%	-3.2%	15.04	1.63	12.68%	7.62%	5.67%	92.30%	38.42%
Consumer Goods	4.0%	19.8%	4.6%	18.70	2.97	21.31%	13.86%	2.37%	41.79%	14.15%
Health Care	-1.0%	8.4%	8.8%	14.06	1.95	16.11%	11.60%	4.09%	-30.66%	-1.03%
Consumer Services	-3.1%	11.6%	-18.5%	n/a	2.91	-4.88%	1.57%	5.87%	71.90%	10.85%
Telecommunications	-0.3%	11.2%	14.5%	26.83	2.64	10.20%	4.54%	2.14%	536.42%	31.12%
Utilities	-1.1%	6.2%	-10.9%	13.41	1.70	14.20%	9.93%	4.13%	332.74%	58.29%
Financials	5.2%	13.1%	-5.0%	16.94	2.21	15.21%	5.24%	5.08%	46.48%	8.13%
Banks	-0.2%	17.0%	2.9%	10.44	1.58	16.27%	1.38%	0.00%	65.31%	-0.32%
Technology	1.5%	15.5%	4.6%	12.95	2.05	16.37%	8.14%	1.98%	42.66%	438.18%

Source: Finpro, 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.

Commentary

In general, since inception until September 30th, 2020, the ENF Fund has performed better than some other investment channels such as savings deposit channel with 12-months-and-above maturity, five-year Vietnam Government bond, and stocks (VNIndex excluding dividends). In the last three years from 2017 to 2019, the ENF Fund's net return reached 12.6% / year. In 2020, the ENF fund recovered 9.7% and 6.8% QoQ in 2Q and 3Q2020, after a 11.4% QoQ decrease in 1Q2020 because of the recovery of stock market. After 10M2020, the ENF fund increased by 4.9%.

Fund details

Supervisor Bank	HSBC (Vietnam) Ltd.	Max. Investment	No limit
Total NAV	VND 142.2 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

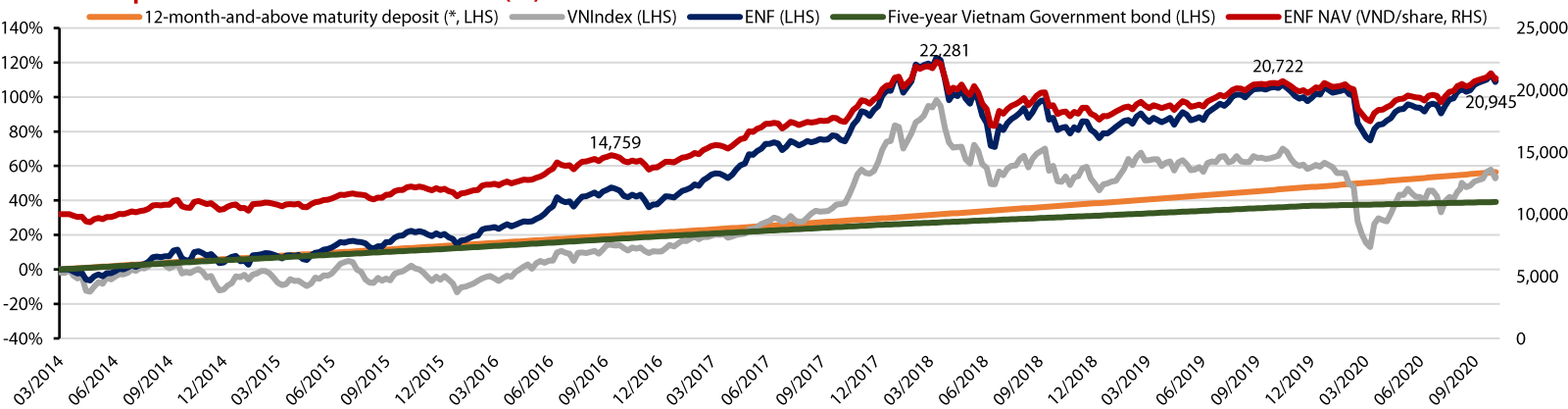
Source: EIFMC

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

	Since ENF inception	ENF	VNIndex	VN 5-year bond	12-month-and-above maturity deposit (*)
Cumulation return		109.45%	53.77%	39.11%	56.52%
Annual return		11.84%	6.73%	5.12%	7.01%

Source: EIFMC, Rong Viet Securities

Cumulative performance of ENF vs other assets ()**



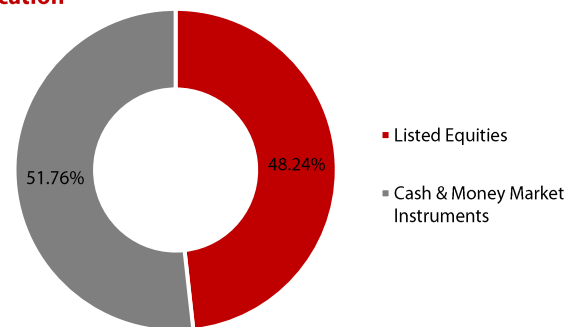
Source: EIFMC, Rong Viet Securities

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

Asset Allocation



Source: EIFMC

(*) Using average 12-month-and-above maturity deposit rate from weekly SBV announcement

(**) 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 (*)	12-month-and- above maturity deposit (**)	Five-year Vietnam government bond	VNIndex
2015	10.51%	8.74%	7.39%	6.07%	4.36%	3.50%	4.56%	7.15%	6.17%	6.12%
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%
10M2020	1.23%	4.88%	6.59%	7.78%	8.72%	4.71%	3.80%	5.87%	1.59%	-4.36%

Source: EIFMC, Rong Viet Securities

(*) Interest compounded quarterly, using 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).

(**) Using average 12-month-and-above maturity deposit rate from weekly SBV announcement.

(***) Return 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 10M2020 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.

Commentary

- Regarding to the investment trust from Prudential, for the past 5-year period from 2015 to 2019, cumulative net returns of all the fund have increased sharply, in range of 23.9% and 96.3%. Of which PRUlink Vietnam Equity Fund had the highest growth with accumulated net return of 96.3%, followed by the PRUlink Growth Fund with cumulative net return of 83.7%.
- However, the PRUlink Bond Fund recorded the best results after 10M2020 with 8.72%, followed by the PRUlink Stable Fund (7.78%) and PRUlink Balance Fund (6.59%). Meanwhile, the PRUlink Vietnam Equity Fund (1.23%) had lower performance because the stock market (VNIndex, -4.36%) decreased at the end of October 2020 compared to the end of 2019.

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