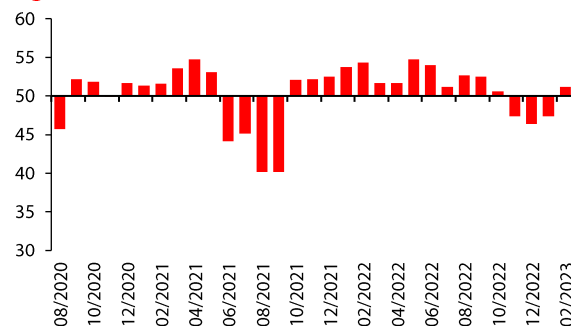


**Macroeconomy commentary:**

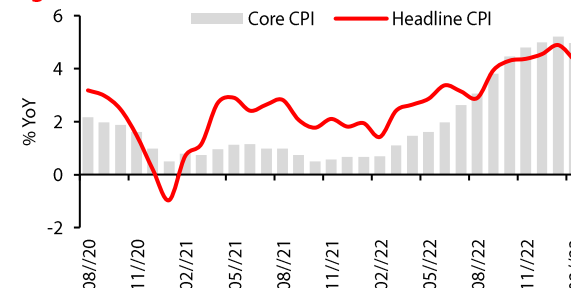
- "Hesitancy" seems to be the common state of Central banks around the world, as some economies are facing surprises in economic data. The unexpected increase in inflation and employment data in February of the Western bloc including the United States, Canada and the EU raises questions about the rate of disinflation in this region. The Bank of Canada announced a "conditional pause"; The Bank of England (BoA) suggests a pause, but the risk of a change in the outlook could see the BoA turn around to tighten further. Federal Reserve Chairman Jerome Powell reiterated the Fed's hawkish outlook in December, before conceding that it could take a different path - one that has boosted the market's conviction about a pivot policy in 2023. Meanwhile, the Bank of Japan's monetary policy remains uncertain as the new Governor of the Bank of Japan, Kazuo Ueda has been appointed. Only the European Central Bank (ECB) remains committed to a sustained rate hike in its upcoming meetings. The ECB is also set to complement the rate hike with quantitative tightening (QT) from March. Besides, geopolitical conflicts are likely to escalate as North Korea's missile tests resumed in protest at joint US military exercises, weapons-grade enriched uranium has been found in Iran, Diplomatic meetings between China and the US were disrupted following allegations spy balloons were discovered and destroyed over the United States, and the Russia-Ukraine War showed no sign of stopping after a year of fighting. All of this could have serious economic consequences and continue to pose additional threats to the global outlook.
- Industrial production in Vietnam recorded a 6.3% decrease in the first two months of the year compared to the same period last year, with most sectors experiencing a decline. However, the PMI index for February 2023 indicates that future production activities may be more optimistic in the coming months as new orders increase for the first time in four months of decline. Export orders continue to improve for the second consecutive month, indicating that global demand for exports is recovering. However, accelerating production in the Chinese market could put pressure on Vietnam's export goods. Retail sales of goods and services decreased by 6.0% compared to the previous month, but still grew by 13.2% compared to the same period last year. Consumer growth is declining rapidly but remains a driving force for GDP growth in Q1/2023. The highest growth in the first two months of 2023 belonged to the group of tourism and food services, accommodation, and increased by 124.4% compared to the same period last year. International arrivals to Vietnam increased by 7.1% compared to the previous month, with significant recovery from China. Vietnam's consumer price index in February 2023 increased by 0.45%, mainly due to the increase in housing prices, construction materials, and transportation. The prices of other consumer goods decreased, and the inflation index may cool down. EVN calculates to increase electricity prices from 15.9-26.2%, and the new price frame increased by 13.7-28.2%. The expected increase in electricity prices will be done in stages, about 5-8% each time, and the adjustment time will be at least 6 months apart. The State Bank of Vietnam has strongly withdrawn about VND 198 trillion in the past month, of which about VND 83,200 billion is 91-day term bonds. The scale of corporate bonds due in 2023 is estimated at about VND 290 trillion, and the debt repayment pressure will fall in the period from May to September 2023 and December 2023. The prematurity buyback of corporate bonds by issuers has slowed down compared to the second half of 2022. The risk of defaulting on principal and interest payments of corporate bonds by issuers has become more apparent in recent times, with about 13 companies delaying payment of principal and interest on bonds.

**Figure 1: Vietnam PMI**



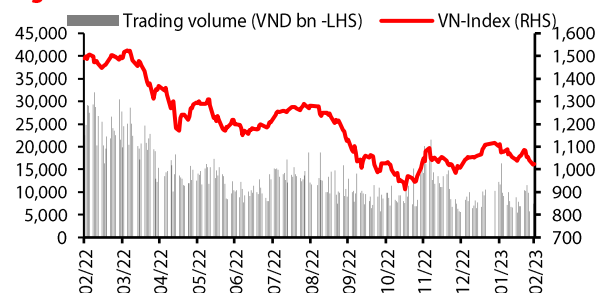
Source: Bloomberg, RongViet Securities

**Figure 2: Vietnam CPI**



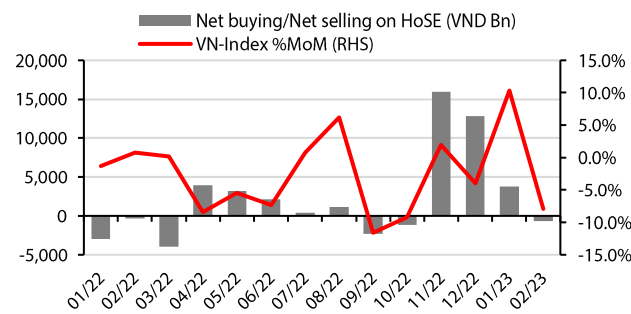
Source: Bloomberg, RongViet Securities

**Figure 3: VN-Index's chart**



Source: Bloomberg, RongViet Securities

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



Source: Fiinpro, RongViet Securities

**Market commentary: Uncertainty is still ahead.**

- The VN Index (-7.8%) closed the month at 1,024.68. Other related indices also recorded similar developments, with VN30, VN MIDCAP and VN SMALLCAP declining by 9.79%, 11.75% and 6.31%, respectively.
- Foreign investors reversed their net buying trend with a modest net selling amount of 640 billion dong compared to the large net buying amount in the previous 3 months. Banks attracted the most net selling with a value of 715 billion dong, while real estate suffered the most net selling (1,983 billion dong).
- Foreign capital has been withdrawn from the Vietnam stock market as US bond yields increased. However, ETF funds have remained strong with foreign funds disbursing \$73 million and domestic funds net buying \$3.6 million. The DCVFMVN30 ETF (\$3.4 million) leads the domestic funds while the Xtrackers ETF (\$24.6 million) leads the foreign group.
- 7 out of 10 sectors underperformed the VN Index. Real estate (-13.43%) was the sectors that suffered the most and had the most significant impact on the VN Index. Among them, VHM (-18.47%), VIC (-7.88%), VRE (-10.1%), and NVL (-25.35%) led the downward move of the sectors.

**FPT - 2023 Outlook remains resilient with double-digit growth.**

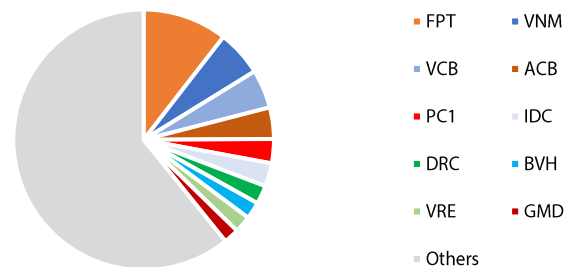
- **Technology sector:** The international IT services sector's revenue is forecasted to grow at a YoY rate of 23% in 2023, a decrease from the 30% YoY rate due to the impact of delaying IT projects to ensure cash flow and profitability. However, the sector still has great potential, with a huge volume of projects signed in the previous year and the US market being supported by the M&A deal with Intertec, while the demand in the Japanese market continues to recover. The net profit margin can improve slightly next year, increasing by 20 basis points to 16%, thanks to fewer provisions for doubtful accounts and the continued provision of services with higher profit margins. However, the sector is also under pressure from the 10% YoY increase in programmer costs last year.
- **Telecom sector:** FPT Telecom's revenue/profit is expected to grow by 13%/14% YoY. Broadband internet subscription growth is expected to slow to single digits in 2023 due to slow adoption by individual and business customers. However, the Pay TV and Telecom services for businesses are expected to drive growth at about 25% YoY as FPT focuses on expanding these services.

**Sector's valuation (at 2/28/2023)**

Sectors	%1M	%3M	%YTD	Basic P/E	P/B	ROE	ROA	Dividend yield (%)	PBT growth (YoY, %)	EPS growth (YoY, %)
Oil & Gas	2.88%	17.88%	21.38%	7.64	1.18	14.80%	8.50%	5.33%	-136.06%	3.81%
Basic Materials	-1.89%	7.81%	2.84%	0.00	3.31	5.69%	0.66%	3.67%	180.95%	88.45%
Industrials	-4.46%	5.14%	5.85%	10.20	1.09	14.70%	9.92%	6.80%	1178.69%	653.24%
Consumer Goods	-3.91%	0.16%	0.02%	13.36	1.61	14.87%	9.83%	4.15%	242.75%	81.98%
Health Care	-7.72%	-0.34%	3.93%	20.92	2.13	10.83%	4.13%	1.87%	64.06%	-2.19%
Consumer Services	-7.76%	-13.15%	-4.13%	14.87	1.39	10.24%	4.25%	3.55%	-105.99%	38.50%
Telecommunications	-0.46%	10.03%	8.78%	8.09	1.52	20.75%	1.83%	4.74%	33.85%	15.27%
Utilities	-2.10%	6.61%	3.84%	16.72	2.98	20.76%	9.32%	1.51%	-60.91%	150.18%
Financials	-3.97%	3.94%	-0.58%	13.25	2.42	18.14%	11.21%	2.94%	-274.59%	97.74%
Banks	0.28%	-0.07%	2.59%	16.84	1.52	16.64%	12.30%	4.04%	25.85%	18.30%
Technology	-1.90%	1.88%	3.81%	11.55	1.85	20.56%	13.81%	3.69%	38.86%	34.48%

Source: Fiinpro, RongViet Securities

**Figure 5: ENF equity portfolio at the end of 02/2023**



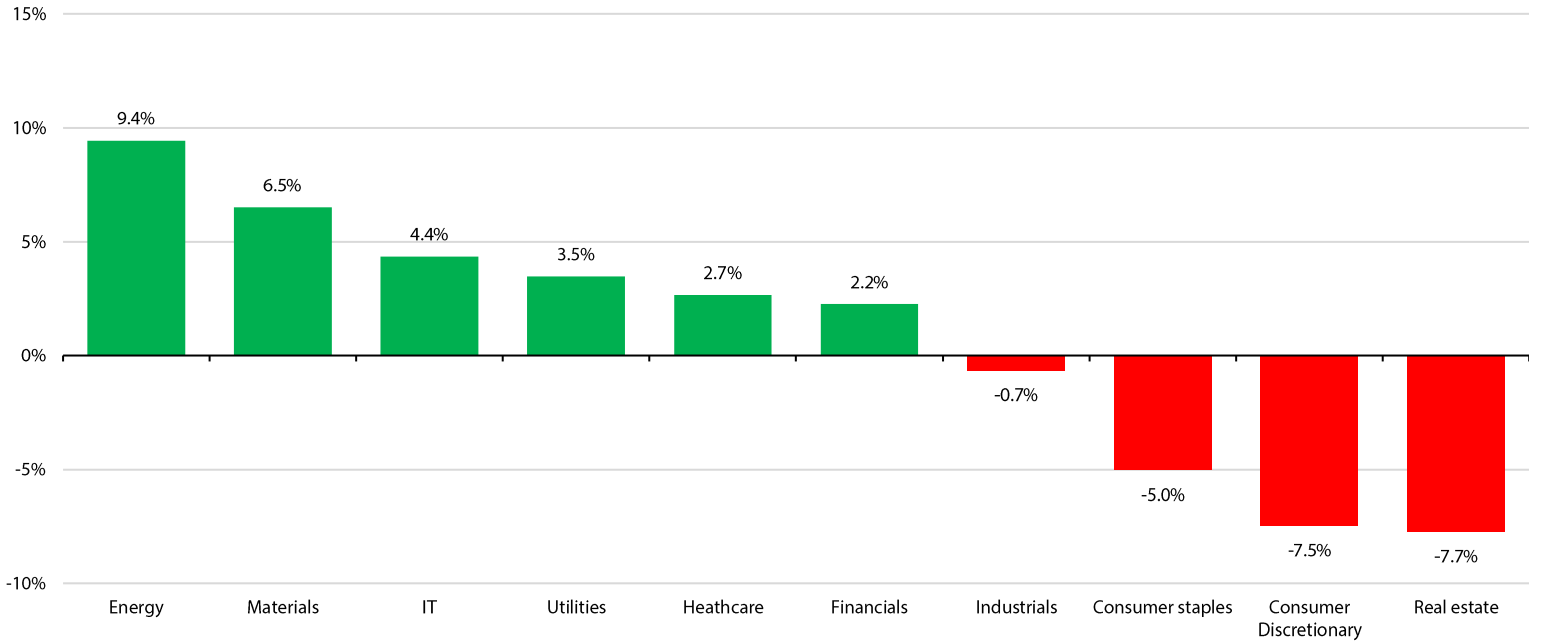
Source: ENF, RongViet Securities

**Figure 6: 2023 Forecasts**

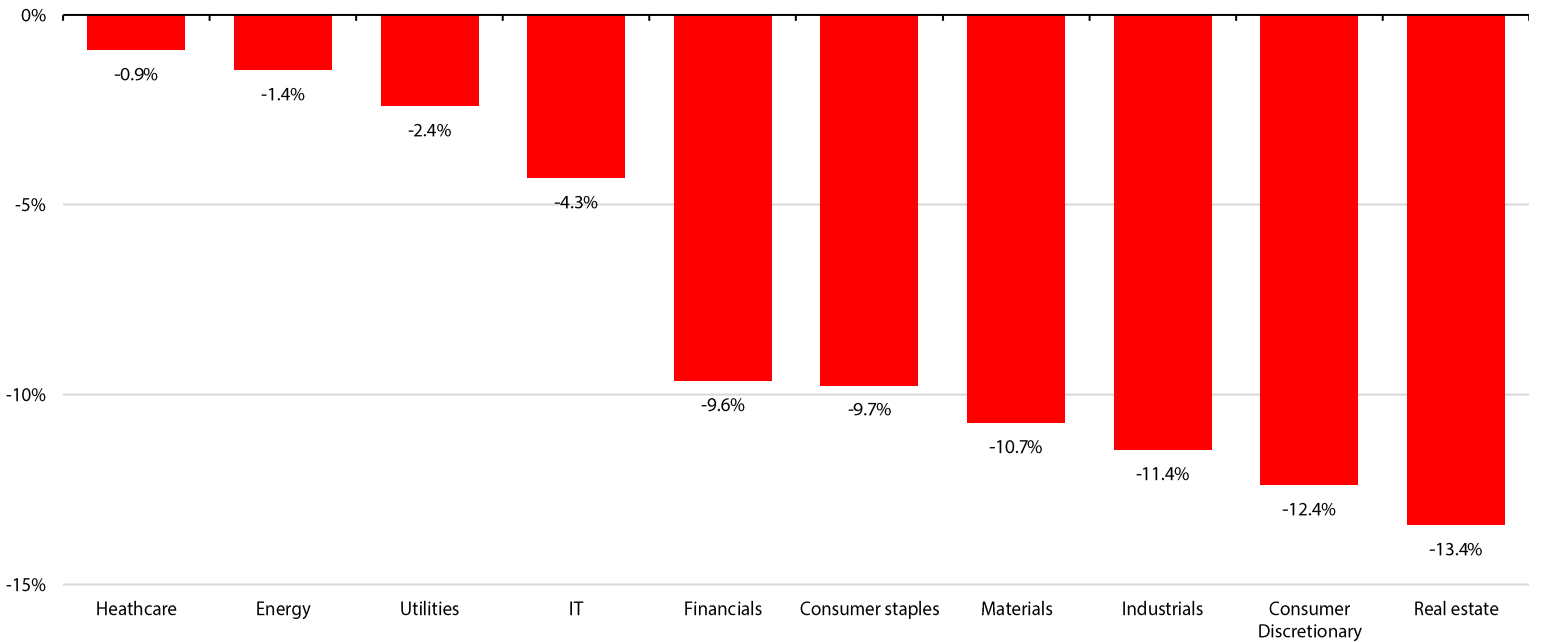
Unit: VND Billion	2023	YoY
<b>Revenue</b>	<b>52.057</b>	<b>18%</b>
1. IT services	30.554	20%
2. Telecom services	16.606	13%
3. Education and other investments	4.897	30%
<b>PBT</b>	<b>9.369</b>	<b>22%</b>
1. IT services	4.237	24%
2. Telecom services	3.225	14%
3. Education and other investments	1.907	34%
<b>NPAT-MI</b>	<b>6.586</b>	<b>24%</b>
EPS	5.979	24%
<b>PBT margin</b>	<b>17.0%</b>	<b>-41 bps</b>
1. IT services	13.9%	46 bps
International IT services	16.0%	22 bps
Domestic IT services	7.0%	41 bps
2. Telecom services	19.4%	29 bps

Source: FPT, RongViet Securities

Bloomberg's sector performance - 2023



Bloomberg's sector performance - February 2023



Source: Bloomberg, RongViet Securities

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

**\*Mutual fund (Eastspring Investments Vietnam Navigator Fund ("ENF"))**

**Investment objective**

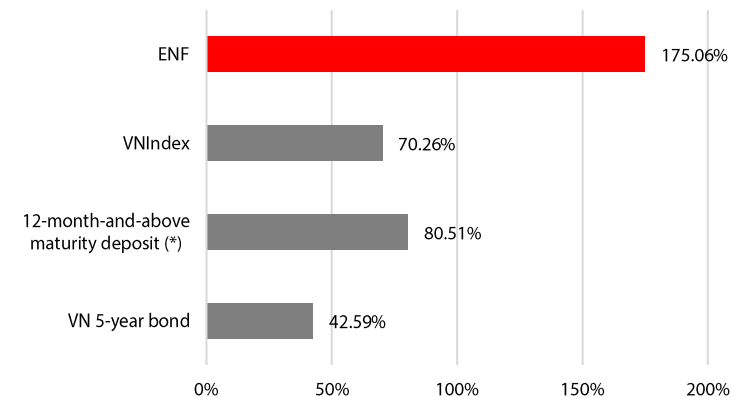
The objective of the Navigator Fund is to deliver capital appreciation through exposure to multiple asset classes, including equity, bond, and bank deposit. Actively navigate the market through dynamic asset allocation to provide participation in equity upside when stock markets are performing well,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

**Fund details**

<b>Inception date</b>	25 March 2014	<b>Trading confirmation</b>	Weekly Monday & Thursday (T+1)
<b>Total NAV</b>	VND 188.4 bn	<b>Payment to investors</b>	T+3
<b>Trading frequency</b>	Weekly Wednesday & Friday (T Day)	<b>Min. Investment</b>	VND 1,000,000
<b>Cut off time</b>	Before 10.30AM on Tuesday & Thursday	<b>Supervisory Bank</b>	HSBC (Vietnam) Ltd

Source: EIFMC

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



Source: EIFMC, RongViet 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>, 2023, 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 (-8.2%) than the VN-Index (-45.3% and -12.8% respectively). In 2022, the ENF Fund decreased by 14.7%, significantly lower than stock market (32.8%). After 2M2023, the ENF fund was merely increased by 1.35%, while the stock market jumped by 1.75%. We expect the Fund's selective and diversified stock portfolio, including the top enterprises of technology, retail, industrial, and consumer sectors, to help the Fund continue to grow stably.

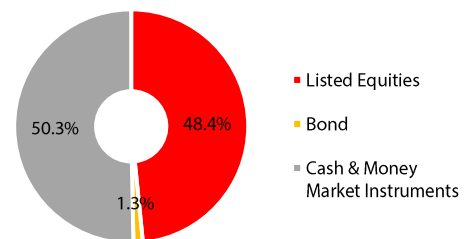
**Cumulative return of ENF and other assets (%) (\*\*)**

Since ENF inception	ENF	VN-Index	VN 5-year bond	12-month-and-above maturity deposit (*)
<b>Cumulative return</b>	175.06%	70.26%	42.59%	80.51%
<b>Annual return</b>	11.99%	6.14%	4.05%	6.83%

Source: EIFMC, RongViet Securities



**Asset Allocation**



Source: EIFMC

(\*\*) Calculating data before March 2021 uses an 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%
2022*	-23.69%	-17.49%	-13.19%	-8.82%	-1.86%	4.79%	3.73%	5.73%	0.86%	-32.08%
2M2023	5.01%	4.67%	4.42%	4.15%	3.79%	0.98%	0.90%	1.53%	0.76%	1.18%

Source: EIFMC, RongViet 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 2022 and 2M2023 have not been audited and provided by EIFMC and RongViet 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 RongViet 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 2018 to 2022, cumulative net returns of all funds have increased sharply, in a range of 23.8% and 31.5%. Of which PRUlink Balance Fund had the highest growth with accumulated net return of 31.5%, followed by the PRUlink Stable Fund with cumulative net return of 31.3%.
- The PRUlink Vietnam Equity Fund recorded the best results after 2M2023 with 5.01 %, followed by the PRUlink Growth Fund (4.67%) and PRUlink Balance Fund (4.42%). The PRUlink Vietnam Equity Fund (5.01%) made a great jump, which was higher than Vietnamese stock market's performance (VN-Index, 1.18%) in the same period.

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