

## Macroeconomics

### Global Macroeconomics

The Fed has cut interest rates after the FOMC meeting on 18/09/2024 by 0.5% to 5.0% for the first time after keeping them at 5.5% for nine meetings since July 2023. The meeting minutes highlight the Fed's focus on price stability and full employment. They also indicate that monetary policy will gradually become more neutral over time, without following a set path.

Similarly, central banks around the world are continuing their monetary easing cycles. The ECB reduced interest rates for the second time in 2024 by 0.6% on September 12, 2024. In Asia, on September 24, 2024, the People's Bank of China (PBOC) announced a 0.5% cut in the reserve requirement ratio for commercial banks and an average 0.5% reduction in mortgage rates to support the real estate sector and boost the economy.

As central banks ease monetary policies to stimulate economic growth, global financial markets are hopeful of avoiding a recession if the U.S. economy can achieve a "soft landing" as the Fed expects.

### Vietnam Macroeconomics

#### Good Economic Recovery

Vietnam's GDP grew 7.4% YoY in Q3 2024, bringing 9M 2024 growth to 6.8% YoY, the second highest in five years. This was driven by strong production-led exports, with the industrial sector growing 9.6% YoY in Q3 and 8.3% YoY in 9M 2024. Strong performances in rubber, plastic products, furniture, and petroleum products boosted manufacturing. However, due to Typhoon Yagi, the Manufacturing PMI dropped to 47.3 in September from 52.4 in August, but firms remain optimistic about future demand.

#### Continued Recovery in Exports

Exports reached USD 34.1 billion in September, a 10.7% YoY increase, and imports were USD 31.8 billion, up 11.1% YoY. For 9M 2024, exports totaled USD 299.6 billion (+15.4% YoY) and imports USD 278.8 billion (+17.3% YoY), resulting in a trade surplus of USD 20.8 billion. The services sector was also resilient, growing 7.5% YoY in Q3 and 6.9% YoY in 9M 2024. Retail sales grew 7.6% YoY in September, reflecting a strong 8.8% YoY increase for 9M 2024, supported by international arrivals and increased tourism.

#### Solid FDI Disbursement

FDI disbursement reached USD 3.2 billion in September, the highest monthly level since 2012, reflecting a 13.2% YoY increase. For 9M 2024, FDI disbursement totaled USD 17.3 billion (+8.9% YoY), driven by strong registrations and Vietnam's strategic advantages, particularly in the manufacturing and processing sectors.

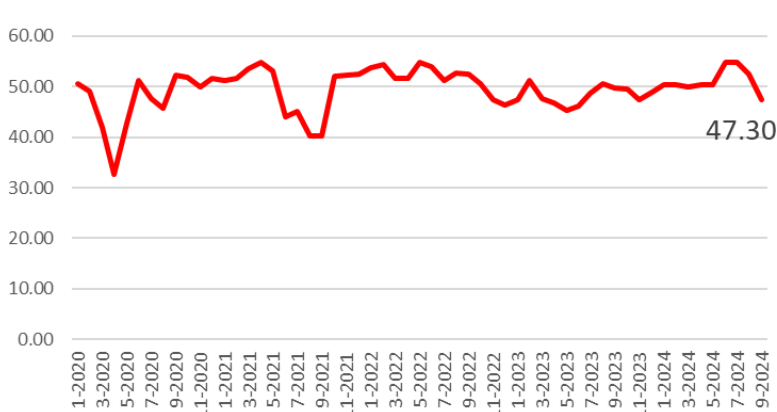
#### Easing Inflation

Inflation in September 2024 was 2.63% YoY, down from 3.5% in August, with average CPI inflation at 3.88% YoY for 9M 2024. Falling domestic petroleum prices helped curb inflation, though increases in tuition fees and food prices partially offset these gains. The outlook for inflation remains benign.

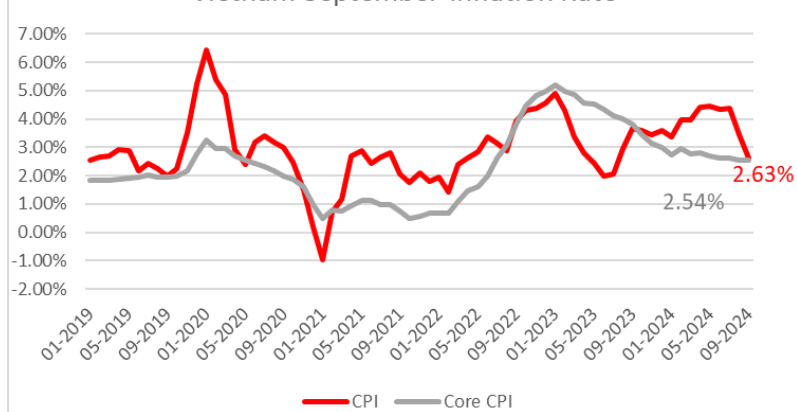
#### Vietnam Economic Outlook

Vietnam's economic potential remains strong due to its advantages in attracting FDI. The recovery in exports and imports supports industrial production, and continuing government policy support further stimulates economic activity. The ongoing recovery in international tourism and increased recruitment activities also contribute to a positive outlook.

VIETNAM SEPTEMBER PMI



Vietnam September Inflation Rate



## Stock Market

### Market Overview

#### Markets Recover Despite Challenges from super typhoon Yagi

Despite the challenges faced in September, Vietnam's market potential remains strong. The VN-Index's year-to-date growth of 14.0%, outperformed regional markets such as the Philippines, Indonesia, and Thailand. The VN-Index's trailing P/E ratio stood at 15.8.

In September 2024, the VN-Index closed at 1,287.9 points, marking a robust 14.0% YTD growth. The index initially declined by 3.5% in the first half of the month due to increased selling pressure as global stock markets fell. Additionally, Typhoon Yagi negatively impacted market sentiment, particularly in the insurance sector. However, the VN-Index rebounded by 3.9% in the second half of the month, supported by buying power at low prices, a rally in US equity markets and the first Fed rate cut in mid-September. Average daily trading value (ADTV) declined by 3.4% MoM to USD 649.1 million. In September, foreign investors continued to net sell VND 2.1 trillion on the HOSE exchange. This was largely influenced by a put-through transaction of VIB, which accounted for nearly VND 2.7 trillion. Since the beginning of the year, the cumulative net outflow has exceeded VND 66 trillion.

#### Sector Performance

The financial services sector emerged as the top performer in September, with a monthly active return of 3.1%, driven by strong performances from key stocks such as MBS, SSI, HCM, and FTS. The banks sector also showed positive momentum, gaining 2.9% thanks to positive sentiment from credit growth and market recovery. Health care followed with a 2.2% return, benefiting from its defensive appeal during market volatility. On the other hand, the oil & gas sector experienced the largest decline, dropping 5.3% due to global oil price fluctuations and negative market sentiment. Insurance and utilities sectors also underperformed, with returns of -5.0% and -2.5%, respectively, impacted by market conditions and sector-specific challenges.

Industries	%1 M	%3 M	%YTD	P/E	P/B	ROE %	ROA %	EPS Growth (YoY,%)	Net Profit Growth (YoY,%)
Financials	0.04%	3.08%	5.28%	17.22	1.35	7.48%	2.51%	-20.27%	-11.74%
Basic Materials	1.47%	0.37%	27.54%	20.84	1.65	8.09%	4.11%	154.35%	193.66%
Oil & Gas	-3.22%	8.45%	29.10%	13.60	1.45	10.58%	5.34%	43.34%	-11.37%
Utilities	-0.42%	1.12%	17.12%	18.79	1.86	9.79%	5.25%	-31.94%	-18.64%
Banks	3.11%	11.41%	25.65%	9.89	1.59	16.76%	1.50%	-3.58%	20.10%
Consumer Goods	-0.10%	3.16%	26.73%	20.76	2.44	12.44%	5.97%	5.23%	8.32%
Industrials	-1.66%	-4.49%	39.02%	17.82	1.98	11.10%	4.91%	5.75%	16.41%
Health Care	1.30%	8.50%	24.36%	16.00	1.79	11.21%	6.89%	-19.37%	-11.03%
Consumer Services	-2.85%	-3.10%	43.32%	54.22	4.43	6.27%	1.42%	-246.92%	-586.92%
Technology	-0.26%	1.81%	57.72%	27.62	5.10	21.34%	10.44%	8.10%	27.51%
Telecommunications	-4.50%	-31.78%	149.64%	38.06	5.62	18.66%	10.03%	698.63%	-296.39%
Real Estate	-0.62%	3.44%	2.29%	17.73	1.29	6.99%	2.43%	-30.95%	-18.16%

VnIndex



P/E ratio



Source: FiiiproX, Bloomberg.

### Introduction

Eastspring Investments Vietnam Navigator Fund (the “Navigator Fund” or “ENF”) is a Mutual Fund licensed by Vietnam State Securities Commission under license No. 09/GCN-UBCK (April 25th, 2014).

Fund Manager: Eastspring Investments Fund Management Limited Liability Company (“Eastspring Vietnam”).

### 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.

Inception date	25/03/2014	Dealing frequency	Weekly Wednesday & Friday (T day)
Total NAV	253.6 Bil VNĐ	Cut-off time	10:30 AM on Tuesday & Thursday
NAV/unit	37,082	Subscription fee	Determined by distributors (Max 3%)
Supervisory bank	Standard Chartered VN	Redemption fee	0%
Min. Investment	100,000 VNĐ	Management fee	1.5%/anum

### Accumulated net return (%)

	1 month	3 months	YTD	1 year	3 years	Since Inception
Net return	0.7%	3.0%	17.5%	20.6%	20.9%	270.8%

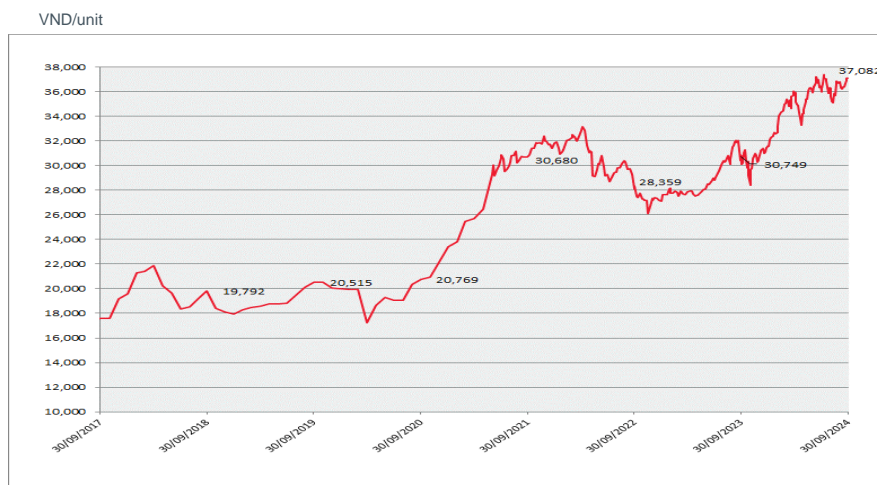
### Calendar year net return(%)

Year	2019	2020	2021	2022	2023
Net return	11.6%	17.1%	35.8%	-14.7%	16.3%
VNIndex	7.7%	14.9%	35.7%	-32.8%	12.2%

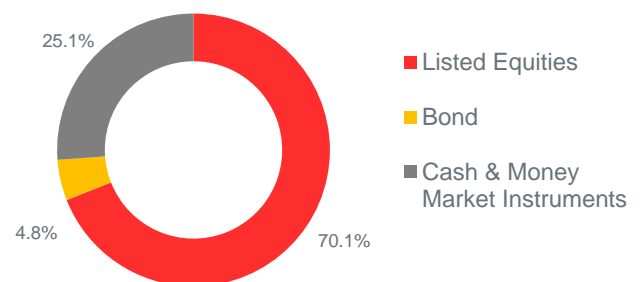
### Top 5 holdings

FPT Corporation	FPT	12.0%
Vietinbank	CTG	9.4%
Military Bank	MBB	6.1%
Asia Commercial JS Bank	ACB	5.9%
REE Corporation	REE	3.0%

### Performance chart



### Asset allocation



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## PRUlink Fund Performance Update

### Introduction

In March, **PRUlink Sustainable Development Equity fund** has been launched in response to the investment trend in enterprises that commit to ESG of SDG – UN. Hence, up to now there are 7 **PRUlink Funds** 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...) or both high capital growth and meet the **ESG** trend in the world.

### PRUlink Funds Performance

Year	PRUlink ESG Since 08.03.24	PRUlink Vietnam Equity	PRUlink Growth	PRUlink Balance	PRUlink Stable	PRUlink Bond	PRUlink Preserver	VNIndex	Gold	USD	Deposit rate of 12 months
2019		9.8%	10.6%	11.0%	11.4%	12.2%	5.5%	7.7%	16.0%	-0.2%	6.8%
2020		16.4%	16.0%	14.7%	12.5%	9.0%	5.6%	14.9%	31.9%	-0.6%	7.1%
2021		40.0%	28.5%	20.8%	13.3%	3.0%	4.2%	35.7%	9.7%	-1.6%	6.2%
2022		-23.8%	-17.6%	-13.3%	-8.9%	-2.0%	4.8%	-32.8%	8.1%	3.4%	5.7%
2023		13.5%	15.5%	16.8%	18.1%	20.2%	6.7%	12.2%	10.8%	2.9%	6.7%
9M2024	6.0%	20.4%	15.1%	11.3%	7.5%	2.1%	3.1%	14.0%	14.4%	1.5%	4.4%

NAV data as of 30 Sep 2024

### Commentary

In September 2024, **PRUlink** funds achieve positive growth, specifically:

- **PRUlink** ESG Fund increased 6.0% since its launch on 08.03.24.
- **PRUlink** Equity Fund recorded the best results with an increase of 20.4%, outperformed VNINDEX (+14.0%) year to date
- **PRUlink** Growth Fund increased 15.1%
- **PRUlink** Balance Fund increased 11.3%
- **PRUlink** Stable Fund increased 7.5%
- **PRUlink** Bond Fund increased 2.1%
- **PRUlink** Preserver Fund increased 3.1%

**PRUlink** funds customers are always recommended to focus on investment goals with a long-term vision rather than focusing on short-term fluctuations because the unit-linked investment product (ILP) is designed with specific investment goals and maximum maximize profits in the medium and long term.

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