

## Macroeconomics

### Global Macroeconomics

**US inflation** in April eased at 3.4% from 3.5% in March. Compared to the previous month, CPI increased by 0.3%, lower than the increase of 0.4% of two previous months and align with Fed's forecast.

**The US manufacturing PMI index** fell to 50 in April from 51.9 in the previous month, lower than market expectations of 52. The index shows that manufacturing activities of US businesses have slowed down after three consecutive months of expansion, due to a slight decrease in new orders, while the current inventory of raw materials is enough to maintain production to meet signed and new orders. However, American manufacturing enterprises are still optimistic in the near future.

**The manufacturing PMI index of European** countries also decreased in April, down to 45.7 from 46.1 in the previous month. Compared to US, Europe's manufacturing activity continued to shrink.

### Vietnam Macroeconomics

#### Inflation was higher driven by food and healthcare prices

Inflation rose to 4.4% yoy in April 2024, the highest since Feb 2023. Food and healthcare prices surged by 15.45% and 9.46% respectively, due to increased food prices, particularly pork prices; and increase in healthcare fees by the state. The VND depreciated by 4.2% against the USD in the first four months of 2024, adding to the inflationary. However, the average CPI was 3.93% yoy, and is still below the target of 4.5%.

#### Retail sales slowed but seems to be resilient on tourism and festive demand ahead

Retail sales grew by 9.0% yoy in April 2024, slightly lower than 9.2% in March 2024. Consumer spending was resilient despite higher inflation pressure and slowing growth recovery. Tourism and festive demand boosted retail sales, especially accommodation, catering, entertainment, and household appliances.

#### Manufacturing drives industrial production growth

The manufacturing PMI returned to expansion at 50.3 in April 2024, up from 49.9 in March 2024. Industrial production expanded by 6.3% yoy in April 2024, slightly higher than 6.2% in March 2024, supported by domestic and external demand. Manufacturing output rose by 7.5% and led the industrial production growth.

#### Trade surplus narrows as imports grow faster than exports

The trade surplus narrowed to 0.6 billion USD in April 2024, down from 2.9 billion USD in March 2024. Exports reached 30.9 billion USD in April 2024, up by 10.6% yoy, lower than 16.5% in March 2024, but was still good. Electronics accounted for 30.4% of total exports and grew by 18.2% yoy. Other major export items were textiles, footwear, and machinery. The main export markets were the US, China, and the EU.

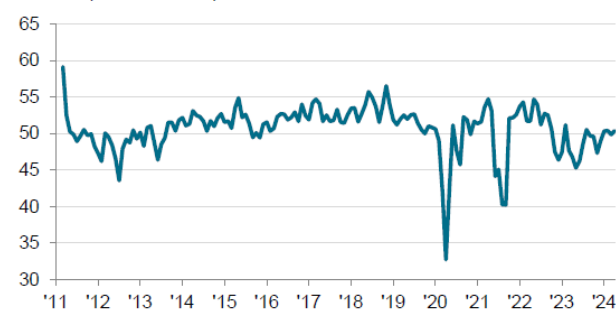
Imports reached 30.3 billion USD in April 2024, up by 19.9% yoy, higher than 18.4% in March 2024, reflecting strong domestic demand. The main import items were machinery, electronics, and petroleum. The main import sources were China, South Korea, and Japan.

#### FDI inflows remained strong

FDI inflows were 1.7 billion USD in April 2024, slightly lower than 1.8 billion USD in March 2024, but still high. The main FDI sectors were manufacturing, electricity, and real estate. The main FDI sources were Singapore, Japan, and South Korea.

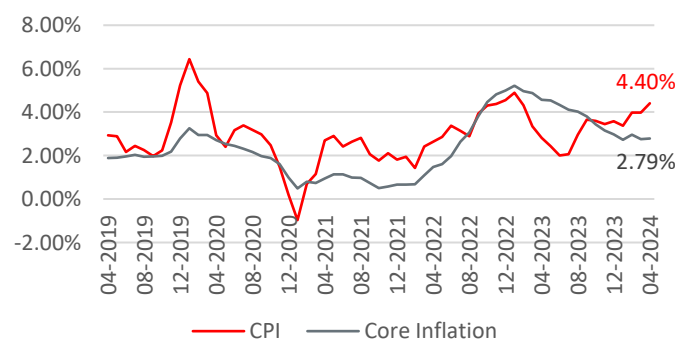
### April PMI

S&P Global Vietnam Manufacturing PMI  
sa, >50 = improvement since previous month



Source: S&P Global PMI.  
Data were collected 11-22 April 2024.

### April Inflation rate



Source: Fiinpro, GSO.

## Stock Market

### Market Overview

#### VNIndex Falls by 5.8%, Underperforms Regional Peers

VN-Index declined by 5.8% in April 2024, ending the month at 1209.52 points. This was the largest monthly drop since October 2020. The index also gained 7.3% YTD.

#### Sector Performance Mixed, Consumer Services and Technology Lead

Seven out of eleven sectors posted positive monthly active returns (versus the VNIndex), while four sectors posted negative monthly active returns. The best-performing sectors were consumer discretionary (+7.4%), Information Technology (+10.7%), and health care (+3.9%), as these sectors benefited from the strong domestic consumption and the digital transformation. The worst-performing sectors were financial services (-6.1%), real estate (-3.2%), and basic materials (-2.1%).

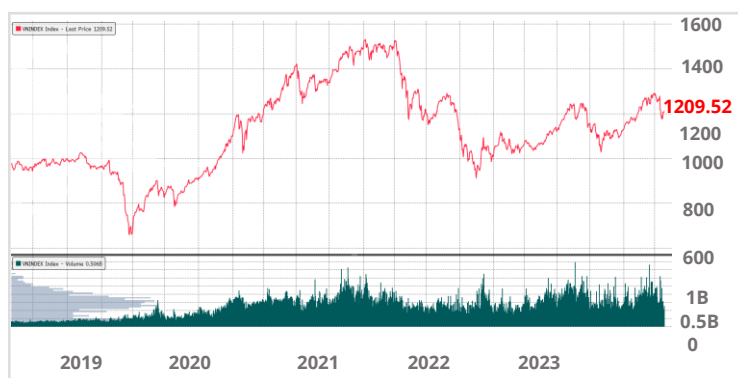
#### Trading Value and P/E Ratio Decline

The average trading value of the VNIndex decreased by 19.0% month-on-month to USD 859 million in April 2024, after three months of increases. The trailing P/E ratio of the VNIndex decreased from 16.6x in March to 15.3x in April.

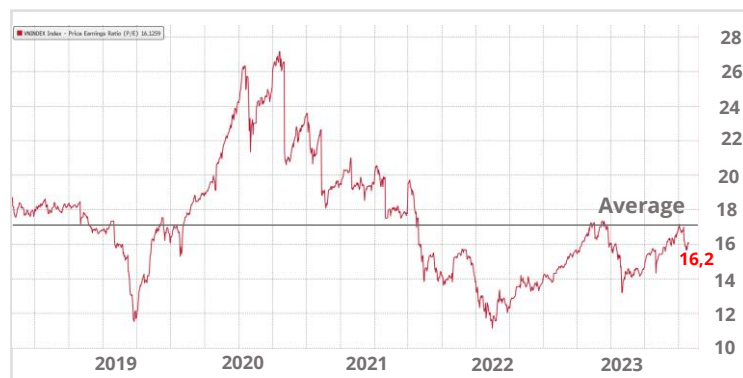
**Despite the correction in April 2024, the Vietnam equity market still offers attractive opportunities for investors, as the market valuation is lower than the historical average, and the earnings growth is expected to remain robust.**

Industries	% Index change in 1m	% Index change in 3m	% change YTD	P/E	P/B	ROE %	ROA %	EPS Growth (YoY)	PBT growth (YoY)
Financials	-8.09%	1.21%	1.19%	14.27	1.37	8.94%	2.48%	7.78%	321.43%
Materials	-7.98%	11.15%	12.28%	25.27	1.56	1.77%	3.36%	6.92%	17.14%
Oil & Gas	-4.53%	1.58%	1.77%	10.76	1.21	11.05%	5.54%	-18.86%	7.74%
Utilities	-4.74%	1.49%	3.09%	16.28	1.84	12.68%	5.62%	-32.92%	-10.44%
Financials	-4.50%	2.75%	14.36%	9.69	1.56	17.13%	1.48%	-3.90%	14.23%
Consumer Goods	-2.31%	6.54%	6.57%	21.06	2.29	9.96%	5.88%	-13.47%	20.19%
Industrials	-3.81%	7.62%	11.14%	17.82	1.78	9.57%	4.81%	-6.92%	-11.80%
Healthcare	-0.04%	6.76%	7.67%	14.38	1.64	10.19%	7.16%	-3.39%	-3.81%
Consumer Services	6.55%	17.89%	21.94%	97.20	4.32	-13.40%	0.93%	-33.24%	43.27%
Information Technology	6.85%	26.28%	25.26%	23.47	4.42	16.43%	10.07%	20.81%	25.91%
Telecommunications	65.92%	113.93%	126.79%	72.90	5.83	0.73%	6.87%	-1.51%	16.08%

VN-Index



P/E ratio



Source: FiinproX, Bloomberg, 26 April 2024.

# Eastspring Vietnam Newsletter – APRIL 2024

## ENF Performance Update

### 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	244.2 Bil VND	Cut-off time	Before 10:30 AM on Tuesday & Thursday
NAV/unit	35,928 VND	Subscription fee	Determined by distributors (Max 3%)
Supervisory Bank	Standard Chartered VN	Redemption fee	0%
Min. Investment	1,000,000 VND	Management fee	1,5%/anum

### Accumulated net return (%)

	1 month	3 months	YTD	1 year	3 years	Since Inception
Net return	-4.7%	4.8%	8.5%	24.2%	29.3%	242.5%

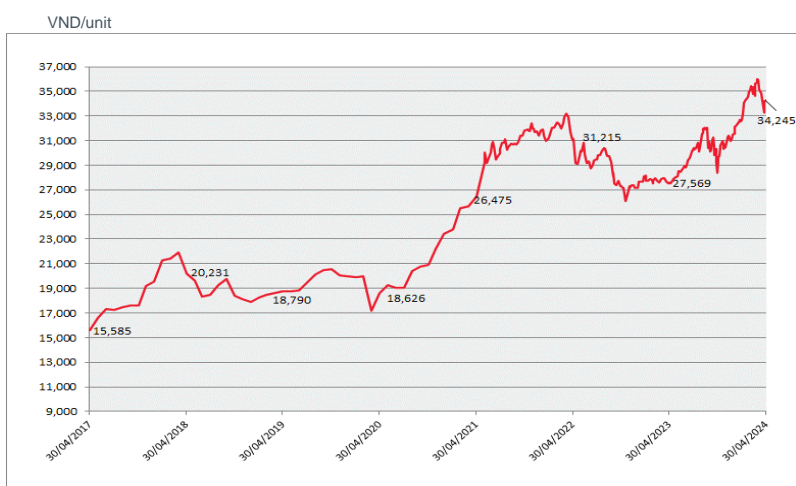
### Calendar year net return(%)

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%

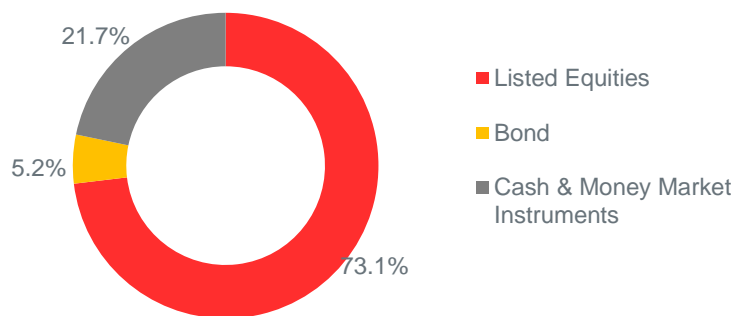
### Top 5 holdings

FPT Corporation	FPT	14.7%
Vietinbank	CTG	9.1%
Military Bank	MBB	9.0%
Asia Commercial JS Bank	ACB	4.7%
Techcombank	TCB	4.2%

### Performance chart



### Asset allocation



### DISTRIBUTORS

#### SSI Securities Corporation

(SSI)

Tel: (84-28) 3824 2897

#### KIS Vietnam Securities Corporation

(KIS)

Tel: (84-28) 3914 8585

#### RongViet Securities Corporation

(VDSC)

Tel: (84-28) 6299 2006

#### Vietcombank Securities Company

Limited (VCBS)

Tel: (84-24) 3936 6426

#### VNDIRECT Securities Joint Stock

Company (VNDS)

Tel: (84-24) 3972 4568

#### Bank for Investment & Development

Securities Joint Stock Company (BSC)

Tel: (84-24) 3935 2722

#### Viet Capital Securities Joint Stock

Company (VCSC)

Tel: (84-28) 3914 3588

## 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 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%	6.9%
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%	-12.3%	-9.1%	-6.0%	-2.0%	5.3%	-32.8%	8.1%	3.4%	5.7%
2023	13.3%	15.4%	16.7%	18.1%	20.3%	6.7%	12.2%	10.8%	2.9%	6.7%
4T2024	9.9%	7.2%	5.2%	3.3%	0.5%	1.5%	7.0%	13.7%	4.3%	1.5%

### Commentary

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

- **PRUlink** Equity Fund recorded the best results with an increase of 13.6%, outperformed VNINDEX (+7.0%) year to date
- **PRUlink** Growth Fund increased 9.7%
- **PRUlink** Balance Fund increased 7.1%
- **PRUlink** Stable Fund increased 4.4%
- **PRUlink** Bond Fund increased 0.5%
- **PRUlink** Preserver Fund increased 1.5%

**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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