

Macroeconomics

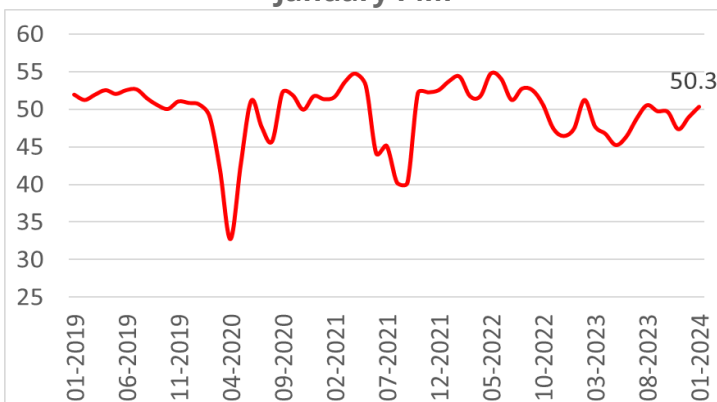
Global Macroeconomics

- **US GDP growth** in the fourth quarter is estimated to reach 3.3%, for the whole year 2023, the US economy will grow by 2.5%, higher than 1.9% in 2022.
- **The US Federal Reserve (FED)** decided not to raise interest rates at January meeting and held at 5.25% - 5.50%, this is the fourth consecutive time the FED has kept interest rates unchanged in recent meetings.
- **The manufacturing PMI index of the US and European countries** improved in January. Specifically, the US manufacturing PMI increased to 50.7 from 47.9 in December. Europe's manufacturing PMI remained low despite increasing from 44.4 in December to 46.6. This data shows that manufacturing activities in the US have recovered in January, while manufacturing activities in Europe are still facing challenges.

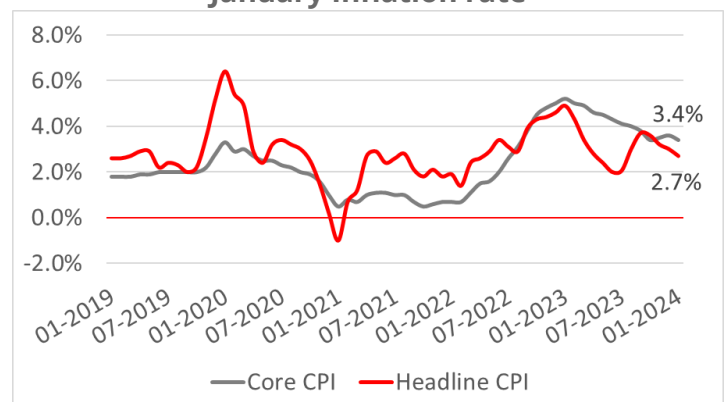
Vietnam Macroeconomics

- **Retail sales of goods and services** were estimated at 524.1 trillion VND in November, increased 1.6% compared to December and 8.1% yoy. This positive trend is fueled by increased consumption ahead the Tet festive season. Additionally, the continuous recovery of foreign tourism has also contributed to the growth in retail sales, signaling a rebound in the tourism sector.
- **Exports** are estimated to increase by 6.7% compared to December and by 42.0% yoy. Imports are estimated to record an improvement, increasing by 33.3% yoy. The trade balance is estimated to record a trade surplus of 2.9 billion USD. The substantial growth in trade figures is also due to last year's low base effect, indicating an increased demand for imported goods aligned with economic recovery trends.
- **Consumer price index (CPI)** increased by 0.3% in January compared to December and increased by 3.4% yoy. Meanwhile, core CPI increased 2.7% yoy. Inflation was driven by the upward adjustment of electricity retail prices, hikes in medical service costs, and an increase in transportation prices preceding the Tet holiday. Despite this, the inflation is under control, reflecting the effectiveness of the government's monetary policy in managing price levels and maintaining economic stability.
- **FDI capital** continued to be a bright spot when registered capital of foreign investors as of January 20, 2024 reached nearly 2.4 billion USD, an increase of 40.2% yoy. Disbursed FDI capital in January was estimated at nearly 1.5 billion USD, up 9.6% yoy.
- **Purchasing Managers' Index (PMI)** increased to 50.3 in January, this is the first time PMI recorded above 50 in the last 5 months. With this result, the index showed that business conditions of Vietnamese manufacturers have improved compared to last month.

January PMI



January Inflation rate



Source: General Statistics Office of Vietnam, Bloomberg.

Stock Market

Market Overview

- ▶ **VN-Index** continued to recover in January, closing at 1,164.3 points (+3.0% last month) with liquidity increased by 8.2% compared to December. Banking sector surged significantly and was the key driver to the market recovery.
- ▶ **The market's recovery trend** is supported by the improvement of macroeconomic factors. Specifically, many banks' savings interest rates have dropped to historical lows, while public investment disbursement and FDI disbursement growth have contributed to more positive investor sentiment.
- ▶ **Foreign investors** continued to net sell VND698 billion in January. This is the seventh consecutive month that foreign investor net sold, however the value decreased sharply compared to December. Despite heavy selling pressure from foreign investors, the market since the beginning of the year still recorded positive growth (+3.0%), showing that domestic investors' cash flow supported the market.
- ▶ **The P/E ratio** is currently 14.98 times, far below the 5-year average of 17.5 times. The lower the current P/E is than the average, the higher the probability of the market recovering.

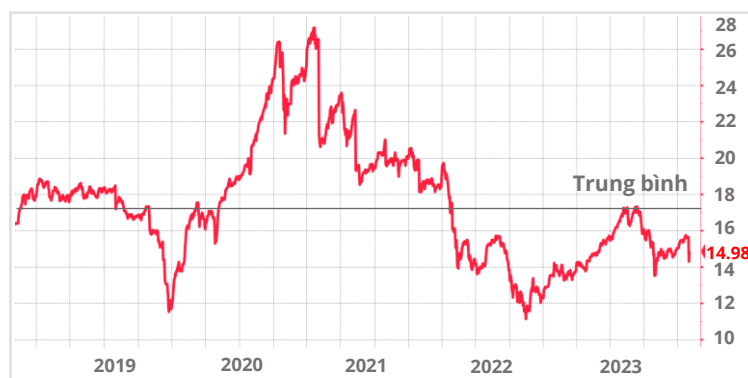
In conclusion, the VNIndex's performance in January 2024 signals a positive trajectory for Vietnam's equity market. The combination of controlled inflation, sectoral resilience, and strong foreign investment inflows paints a picture of a robust and dynamic market environment. The government's sound monetary policy has played a crucial role in maintaining economic stability. These elements together suggest that Vietnam's equity market is well-positioned for future growth and prosperity.

Industries	% 1M	% 3M	% YTD	P/E	P/B	ROE %	ROA %	EPS growth (YoY, %)	PBT growth (YoY, %)
Telecommunications	7.6%	12.4%	7.6%	30.8	2.82	0.7%	0.4%	-9.2%	16.1%
Materials	1.4%	22.1%	1.4%	24.17	1.43	1.8%	0.9%	-44.1%	17.1%
Consumer Goods	0.1%	10.7%	0.1%	19.1	2.23	10.0%	4.7%	-16.0%	20.2%
Oil & Gas	-0.2%	8.2%	-0.2%	10.95	1.2	11.1%	5.7%	-23.6%	7.7%
Industrials	5.5%	16.2%	5.5%	16.5	1.76	9.6%	4.2%	-13.5%	-11.8%
Utilities	1.6%	7.5%	1.6%	14.66	1.83	12.7%	6.7%	-27.9%	-10.4%
Financials	-0.1%	16.7%	-0.1%	16.09	1.41	8.9%	2.9%	-0.7%	321.4%
Technology	-0.9%	15.3%	-0.9%	19.44	3.64	16.4%	8.3%	5.7%	25.9%
Banking	8.9%	14.7%	8.9%	9.42	1.52	17.1%	1.4%	-8.6%	14.2%
Consumer Services	3.7%	15.6%	3.7%	-74.16	3.71	-13.4%	-2.9%	-38.1%	43.3%
Health Care	1.2%	6.8%	1.2%	13.15	1.6	10.2%	5.4%	5.6%	-3.8%

VN-Index



P/E ratio



Source: FiinproX, Bloomberg.

Eastspring Vietnam Newsletter - February

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 (March 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	221.9 Bil VND	Cut-off time	Before 10:30 AM on Tuesday & Thursday
NAV/unit	32.685 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	3.6%	15.2%	3.6%	16.1%	37.4%	226.9%

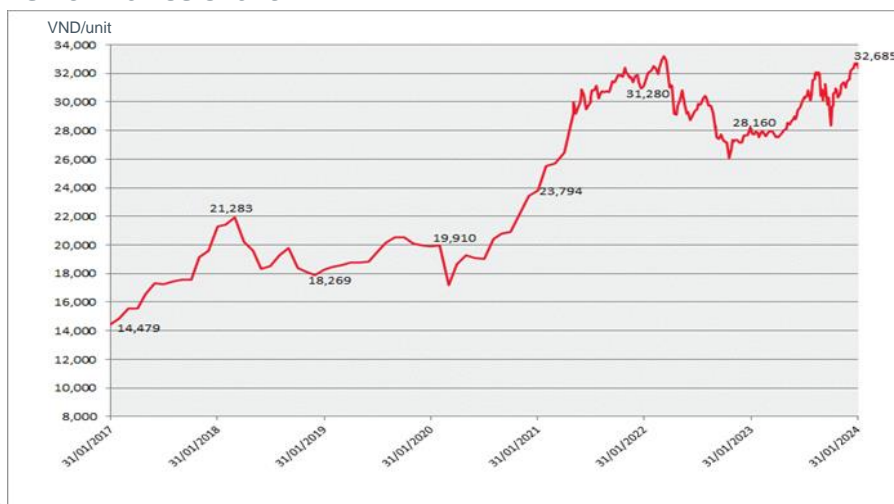
Calendar year net return(%)

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%

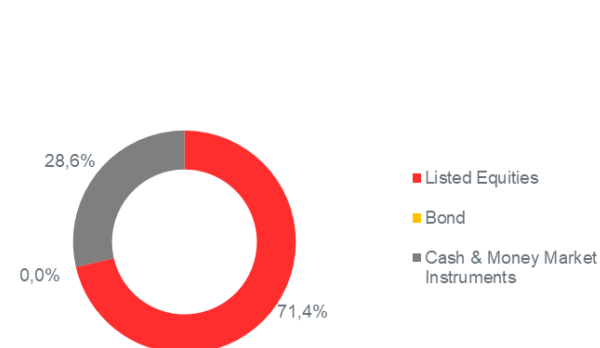
Top 5 holdings

FPT Corporation	FPT	12.0%
Military Bank	MBB	9.4%
Vietinbank	CTG	9.2%
Asia Commercial JS Bank	ACB	7.3%
Idico Corporation	IDC	4.1%

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

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...).

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%
1M2024	6.6%	4.7%	3.3%	1.9%	0.0%	0.4%	3.0%	3.3%	0.7%	0.4%

Commentary

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

- **PRUlink** Equity Fund recorded the best results with an increase of 6.6%
- **PRUlink** Growth Fund increased 4.7%
- **PRUlink** Balance Fund increased 3.3%
- **PRUlink** Stable Fund increased 1.9%
- **PRUlink** Preserver Fund increased 0.4%
- **PRUlink** Bond Fund increased 0.0%

In general, **PRUlink** funds with a high proportion of stocks in the portfolio recorded better growth than the VNINDEX (+3.0%).

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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Note: EIVN's past investment results do not necessarily represent the future investment results of ILP Funds. Investing in ILP Funds is subject to investment risks, including the possible loss of initial investment. Investors should consult with a financial expert before deciding to invest in ILP Funds.

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