

**FACT SHEET AS OF 31 DECEMBER 2022**

<b>Name of the Fund</b>	Vietnam Long-term Growth Fund
<b>Fund code</b>	VLGF
<b>Nature of the Fund</b>	Open-ended fund
<b>Inception date</b>	06/12/2021
<b>Fund size</b>	<b>VND2.42 billion (~USD102.6 million)</b> (As of 31 Dec 2022)
<b>Fund operating period</b>	Unlimited
<b>Fund Management Company</b>	SSI Asset Management Co., Ltd
<b>Supervisory Bank</b>	Standard Chartered Bank (Vietnam)
<b>Transfer Agent</b>	Vietnam Securities Depository Centre (VSD)
<b>Distributors</b>	SSI, SSIAM
<b>Redemption gate per trading period</b>	10%/ Net Asset Value
<b>Minimum subscription amount</b>	VND10,000 (ten thousand)

**FUND PERFORMANCE**


	NAV/Unit (VND)	Performance (%)			
		1 month	3 months	YTD	Since inception
VLGF	<b>8,348.78</b>	0.99%	-6.73%	<b>-16.45%</b>	<b>-16.48%</b>
VN-Index		-3.94%	-11.04%	<b>-32.78%</b>	<b>-31.75%</b>
VN30		-4.20%	-12.74%	<b>-34.55%</b>	<b>-33.84%</b>

Data as of 31/12/2022, calculated in VND; since disbursement date 15/12/2021

**INVESTMENT OBJECTIVES & STRATEGY**

The Fund's objective is long-term capital appreciation for investors by investing mainly in high-quality large-cap stocks with attractive valuations.

The fund focuses on industry leaders in sectors that contribute to and should benefit the most from Vietnam's economic growth momentum over the next 10 years, such as consumer goods, retail, commercial banking, residential real estate, industrial real estate, information technology, transportation, and logistics.

When market and economic conditions are assessed as unfavorable, VLGF may adopt a conservative investment strategy by partial asset allocation to fixed-income assets.

**FEES**

<b>Subscription fee</b>	1.00%
<b>Management fee</b>	1.50%/year
<b>Switching fee (**)</b>	0.50%
<b>Redemption fee</b>	Free
<b>Systematic Investment Plan (SIP) Subscription fee</b>	Free

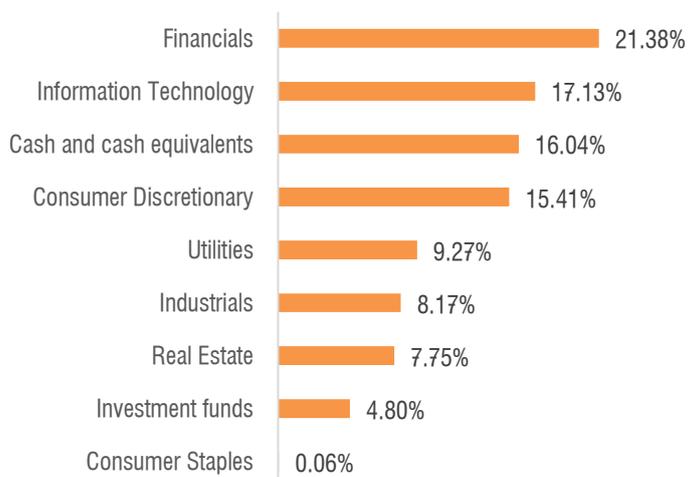
(\*\*) Switching fee is applied when Investor switches from VLGF to other open-ended funds managed by SSIAM

**FUND METRICS**

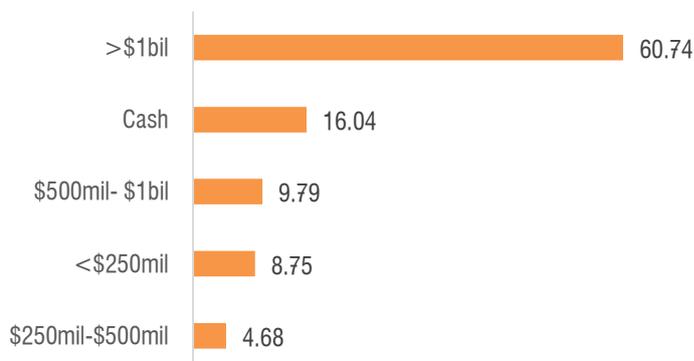
	VLGF	VN30	VNINDEX
P/E RATIO	9.46	8.62	10.49
P/B RATIO	1.90	1.59	1.61
STD DEV (%) (*)	22.42	26.34	24.71
SHARPE RATIO	-0.62	-1.27	-1.30
ROE (%)	22.20	20.44	17.05

(\*) Annualized Standard Deviation, YTD Source: Bloomberg, SSIAM

**ASSET ALLOCATION BY SECTORS (%NAV)**



**ASSET ALLOCATION BY MARKET CAP (%NAV)**



**TOP HOLDINGS**

Ticker	Company Name	Sector	% NAV	Mkt Cap (USD Mn)	TTM P/E	Current P/B	ROE%
FPT	FPT Corp	Information Technology	17.13%	3,570	16.01	4.24	28.47
MWG	Mobile World Investment Corp	Consumer Discretionary	10.64%	2,657	12.24	2.70	23.96
ACB	Asia Commercial Bank	Financials	10.62%	3,130	5.58	1.33	26.97
NLG	Nam Long Investment Corp	Real Estate	4.94%	504	30.51	1.37	4.82
PNJ	Phu Nhuan Jewelry JSC	Consumer Discretionary	4.77%	1,248	15.53	3.49	25.85

**PORTFOLIO MANAGER BIO**

**Mr. Nguyen Ba Huy, CFA**

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- Joined SSIAM in March 2015. Moved from Head of Research to Associate PM to PM.
- Was previously Head of Research & Advisory at VNDIRECT Securities, Senior Investment Advisor at KIS Vietnam Securities, and Investment Analyst at TVSI Securities.
- BA in International Business from Hanoi Foreign Trade University.

## FUND COMMENTARY

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2022 was a turbulent year for Vietnam stock market, however, the economic growth story remains the highlight.

VN-Index fell sharply by 32.78% for the year 2022, recording the biggest decline of the domestic equities market since the financial crisis of 2008. The index marked its peak, surpassing the 1,500 thresholds for the first time in history at the beginning of the year, only to pull back to its 2-year low of 873.78 during the trough in November. The bumpy ride continued with some “technical” rallies after the 43% fall as investors bottom fishing for short-term profit and steady flows into Vietnam stock market pulling up the prices. By year-end, the market capitalization of Vietnam stock market and HOSE alone declined by approximately 31%, to VND7.8 million billion and VND5.8 million billion.

A combination of headwinds, both expected and unexpected, both externally and internally had impacts on the stock market. Specifically, the geopolitical conflicts drove up commodity prices, central banks tightened monetary policy at a faster pace than expected and rising concern on recession weighed on the investors’ sentiment. For internal factors, rising interest rates, along with the government’s actions to fight corruption in the capital and the real estate markets had redirected the speculated cash flow and led to forced selling from margin calls. Meanwhile, a part of cash flow had also returned to other sectors post Covid-19.

The cautious sentiment was reflected in the weak liquidity, with the average trading value of the whole market in 2022 being VND20,700 bn, down 21% y/y.

The highlight for Vietnam’s macroeconomic data was that Vietnam remained one of the fastest growing economies in Asia. GDP growth for 2022 reached 8.02%, marking the most significant growth since 1997, with momentum coming from most major economic sectors as the economy reopened post Covid-19, along with healthy domestic consumption and FDI inflows.

The liquidity and exchange rate concerns had also shown signs of improvement by year-end, thanks to flexible OMO operations, as well as commercial banks’ efforts in ensuring adequate funding for peak season run-up to Tet. Regarding the exchange rate, USD/VND quickly cooled down and as of December 30th, the USD/VND exchange rate had dropped to VND 23,730 (devaluation of 3.5% YTD).

In such a turbulent year, VLGf’s NAV fell by -16.5%, equivalent to alpha of 16.3% and 18.1% compared to VN-Index and VN30-Index respectively. The outstanding alpha compared to the benchmark as well as other equity open-end funds on the market highlights the importance of the investment team in portfolio optimization and effective risk management. We have stayed active to prepare for unexpected events, while staying true to the fund’s long-term investment strategy.

2023 is expected to be a challenging year for Vietnam economy, with domestic inflation expected to peak, and a large number of bonds maturing in the backdrop of global recession and slowing domestic demand. Despite the overall negative factors, we are seeing action from various stakeholders in Vietnam, led by the government, coming together to tackle the issues. With the expected cooling down of global inflation, we may expect the global liquidity situation to ease. With the Fed Fund rate expected to peak in the first half of 2023, the pressure of strengthening US dollar should also ease as well. This would be positive factor as it would allow for more room for SBV to manage the domestic liquidity in Vietnam. In addition, strengthening fiscal policy and capital buffers to take initiative in case of external shocks (thanks to stable FDI inflows and current account surplus) will help stabilize the macro economy.

We maintain our view for Vietnam stock market - with P/E of ~10x - as attractive, compared to its historical valuation (the current P/E is at around -2 std deviation) and compared to other markets in the region (vs. Thailand 14.5x, Malaysia 15.6x, Japan

17.8x,...). We will take advantage of the current reasonable valuation to actively look for potential sectors and businesses with their own stories, long-term growth prospects, good corporate governance and fundamentals, to optimize the risk - return profile of the portfolio and achieve the goal of increasing wealth for the fund's investors.

## DISCLAIMER

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*Investors should carefully read the Prospectus, Fund Charter and relevant documents before making investment decisions and pay attention to fees when trading fund certificates.*

*Please update us as soon as possible on any change of the Investor's information in the Part A of the Investor Profile provided to SSIAM.*

*Fund certificates are not certificates of deposits, negotiable instruments or valuable papers as prescribed in the banking sector, fixed income assets or guaranteed investment income assets.*

*The price of fund certificates may fluctuate according to market movements and investors may incur losses on their initial investment given unfavorable market conditions. This document should not be used for the purpose of accounting and tax recording or to make investment decisions. Please note that the past performance of investments is not necessarily indicative of future performance. The NAV per unit and the Fund's income can increase or decrease and could not be guaranteed by SSIAM. Investors should do their own research and/or consult experts' advice to make appropriate investment decisions.*

*VLGF is an absolute return fund and therefore, does not have any benchmark. VN-Index and VN30 performance in the factsheet is only used as a point of reference to provide information for investors.*