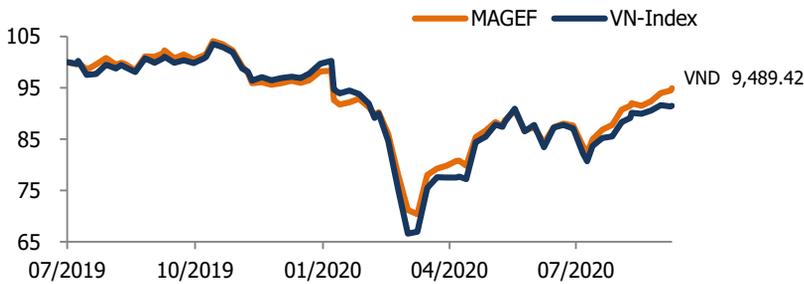


## Investment objectives & strategies

September 2020

- Aim to achieve long-term capital appreciation through capital gains and income of investments.
- Apply active investment strategy by building portfolio focusing on listed stocks, registered for trading stocks which have large market capitalization, high liquidity and IPO stocks in Vietnam.

## Fund performance



	1 month	3 month	6 month	YTD	1 year	Since inception
<b>MAGEF</b>	3.69%	12.65%	34.80%	-1.47%	-6.71%	-5.11%
<b>VN-Index</b>	2.67%	9.71%	36.63%	-5.80%	-9.17%	-8.51%

- \* Source: MAFM, Performance is calculated since inception date 23/07/2019.
- \* Past performance is no guarantee of future results.
- \* Benchmark is VN-Index.

## Fund portfolio

Top 10 holdings	Sector	% NAV
Vinamilk	Consumer Staples	9.2%
Mobile World Investment Corp	Consumer Discretionary	7.9%
FPT Corporation	Information Technology	7.1%
Bank for Foreign Trade of Vietnam	Financials	6.0%
Vinhomes	Real Estate	5.0%
Asia Commercial Bank	Financials	4.8%
Hoa Phat Group	Materials	4.3%
Masan Group	Consumer Staples	4.1%
Military Bank	Financials	3.6%
Viettel Post	Industrials	3.5%

## Net Asset Value (NAV)

Valuation date	30/09/2020
NAV (in VND)	489 billion
NAV/Unit (in VND)	9,489.42

## Fund information

Portfolio Manager	Soh Jin Wook
Type /Asset Class	Open-ended fund / Equity
Custody & Supervisory Bank	Standard Chartered Bank (Vietnam)
Trading Frequency / Dealing Date	Weekly / Wednesday (Day T)
Cut-off time	11AM Tuesday (Day T-1)
Minimum amount (in VND)	1,000,000

## Asset allocation by sector (%NAV)



\* As of 30/09/2020, by GICS

## Fund manager's comments for September 2020

### ● Market Performance

In September, India emerged as the country most attacked by Covid. Young people were the main infected victims of this country. In other countries, Russia continued to expand the sale of its vaccine in drug stores system while, US attempted to allow using one type of vaccines to priorities group before the election organized in November. Unfortunately, according to WHO, it is difficult to successfully vaccinate majority of world population within first half of 2021.

The meetings of Fed in the middle of September reaffirmed commitment to keep the rate 0 – 0.25% till 2023. There was notable that the consensus view among Fed's officers about US economy and unemployment rate in 2020 and coming years were more positive than previously discussed in June. Yet, in US, the second stimulus package couldn't be passed within the month.

In Vietnam, the second Covid wave was well controlled. Within September, locking down policy in epicenter Da Nang was gradually released. In this city, most of services were reopened except for bar and karaoke while all flights in and out the city have been back to normal. Moreover, Ministry of Transportation decided to reopen international flights in Vietnam since middle of the month, with about 6 international routes have been unlocked but limited 1–2 flights/route per week. Meanwhile, more domestic flights and routes have been expanded by domestic airlines. This is a good premise for the second domestic stimulus tourism package.

Also in September, FTSE announced Vietnam to retain on Watch List as a Frontier market which was not a surprise to investors. The market will be reviewed and reclassified as a Secondary Emerging market within the FTSE Country Classification scheme at the Annual Review in September 2021.

Macro data in 3Q2020 showed positive improvement. GDP growth quickened to 2.62% yoy thanks to positive export growth, solid infrastructure investment from public spending and gradual retail sales recovery. Industrial production index rebounded 3.8% yoy in September and PMI obtained 52.2, the highest reach of the year since January. While economic activities showed sight of recovery, inflation remained low thanks to lower goods stuff cost is a good base for the government to have further flexible monetary policy. As of 1st October 2020, SBV cut key interest rate for the third time in the year, as much as 50bps. Though we believe that the effect of continuous monetary expansionary policy will gradually decline, current abundance of liquidity in banking system supports expansionary fiscal policy resulting in improvement in credit growth and aggregated demand. At the end of September, credit growth reached 6.1% YTD which is higher than 4.3% YTD in August. Besides monetary policy, the Government has issued a decision to reduce 30% corporate income tax for 2020 applied to enterprises that have yearly revenue under VND200bn. All these positive news helped driving market in September to close at 905.21 (2.7% mom).

### ● Fund Performance

Within the investment period, market mainly went sideways, fluctuating between 880 – 920 points. We have slightly increased total equity portion, added up more stocks in industrials sector while reduced portion in oil & gas and utilities industry. The decisions to overweight industrials and technology sector while underweight oil and gas led us to outperform benchmark by 1.02% .

### ● Investment plan

In October, 3Q20 business result will reveal the health of enterprises. Some leading sector players have already announced good business information. This is a good chance for us to review the sectors and enterprises. And Kuwait will officially move to emerging market in November thus Vietnam might enjoy higher weight in the frontier index basket, creating a flux of inflow from passive funds. If this event materializes, we expect there will be significant increase in demand for big blue-chip stocks.

The 10th National Congress meeting will be implemented from 20th of October and last to mid of November. About 6 new law and decree drafts will be discussed this time. Some important contents includes considering and deciding on the results of the implementation of the socio-economic development plan and the State budget in 2020 and in the period of 2016 – 2020. Furthermore, the National congress will discuss about the task for next 5 years period and decide the national electionary day for 15th national congress representatives and the election of deputies to the People's Councils at all levels for the term 2021-2026.

Although the economic indicators are admirable, we will carefully watch following data as the new development of Covid 19 in coming winter kept unpredictable. The US election is another notable event that could affect to market sentiment. Moreover, we will pay attention to the investigation and conclusion of US Treasury department in whether Vietnam has a currency manipulation which could have negative impact on the economy and stock market sentiment.

This material is issued by Mirae Asset (Vietnam) Fund Management Co., Ltd and does not constitute a recommendation, offer or solicitation. Although this material is based upon information that MAFMC considers reliable and endeavors to keep current, MAFMC does not assure that this material is accurate, current or complete, and it should not be relied upon as such. Therefore, in no event may this material be used as evidence of legal liability for the client's investment results.