

# MUTUAL FUND SSI-SCA

## FUND FACTS

<b>Name of the Fund</b>	SSI Sustainable Competitive Advantage Fund
<b>Fund code</b>	SSI-SCA
<b>Nature of the Fund</b>	Open ended fund
<b>Inception date</b>	26/09/2014
<b>Fund size</b>	<b>VND573.57 billion (~USD24.68 million)</b> (As of 31 March 2021)
<b>Fund operating period</b>	Unlimited
<b>Fund Management Company</b>	SSI Asset Management Co., Ltd <a href="https://www.ssi.com.vn">https://www.ssi.com.vn</a>
<b>Supervisory Bank</b>	Standard Chartered Bank (Vietnam)
<b>Transfer Agent</b>	Vietnam Securities Depository Centre (VSD)
<b>Distributors</b>	SSIAM, SSI, BVSC, VCBS, ACBS, VNDIRECT, MBS, HSC, VGS
<b>Redemption gate per trading period</b>	10% / Net Asset Value
<b>Minimum subscription amount</b>	VND2,000,000 (two million)
<b>Expected Return</b>	13% - 15% / year

## FUND PERFORMANCE



	NAV/ Unit (VND)	Performance (%)							
		2015	2016	2017	2018	2019	2020	YTD	Since Inception
SSI-SCA	24,070.88	17.7	24.1	38.2	-12.1	3.91	18.61	12.07	140.71
VN-Index		6.1	14.8	48.0	-9.3	7.67	14.87	7.93	96.94

Data as of 31/03/2021, calculated in VND; since inception date 26/09/2014

## INVESTMENT OBJECTIVES

The Fund pursues long-term capital appreciation and regular return through investment in companies with sustainable competitive advantages and fixed income assets.

The Fund shall apply active investment strategy, focusing on listed securities of companies with sustainable competitive advantages, high market share, good corporate governance, healthy financial conditions, good capabilities of operation in disadvantageous market conditions and attractive valuation compared with the potential growth in the future of the company.

The Fund shall also invest in fixed income securities with high credit rating to preserve capital and bring stable income for the Fund.

## FEES

### Subscription Fee (depends on the total subscription amount)

From VND 1 million to VND 1 billion	0.75%
> VND 1 billion to VND 10 billion	0.50%
> VND 10 billion	0.25%

### Redemption Fee (depends on the fund units holding period)

Holding period below 12 months	1.25%
Holding period 12 - 24 months	0.75%
Holding period above 24 months	Free

### Switching fee

Free

### Transfer fee

Free

## FUND MANAGEMENT COMPANY

### SSI Asset Management Company Ltd. (SSIAM)

1C Ngo Quyen, Hoan Kiem District, Hanoi, Vietnam

Email: [ssiam@ssi.com.vn](mailto:ssiam@ssi.com.vn)

Website: <http://www.ssi.com.vn>

## FUND MANAGERS

### Bui Van Tot

Portfolio Manager

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### Nguyen Ba Huy

Associate Portfolio Manager

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## FUND COMMENTARY

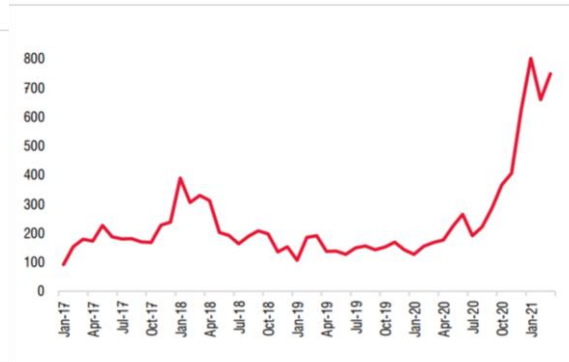
Since the beginning of 2021, SCA has achieved 12.1% of the profit compare with 7.9% of the VN-Index.

### Market overview

VN-Index YTD (+7.9%)



Matching values on 3 exchanges (million USD)



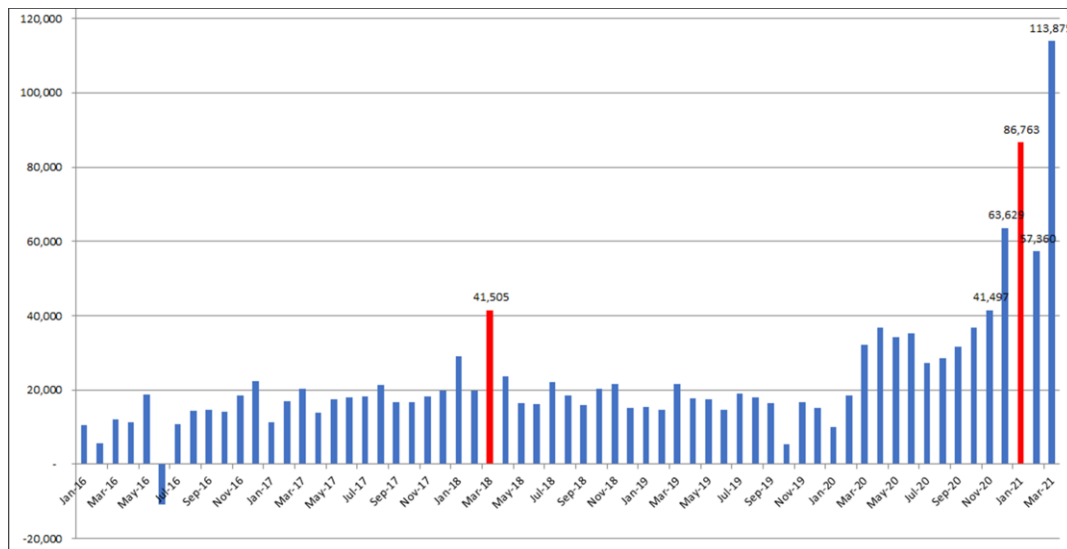
Source: Bloomberg

The VN-Index fluctuated within the range of 1,160-1,200 in March 2021. At one point the index surpassed the psychological resistance level of 1,200 but then corrected again. The index closed the month at 1,190.4 (+ 1.97% MoM, + 7.93% YTD). On the other side, due to the systemic blockage problem on HOSE, investors switched to investing in stocks on HNX and Upcom. As a result, the HNX and Upcom has seen very positive changes in March, with an increase of 15.3% MoM and 6.3% MoM, respectively.

Meanwhile, matched liquidity on 3 exchanges reached USD 748 million / session, which was up 15% MoM and 345% YoY.

Individual investors continued to actively participate in the market, accounting for 91.5% of total trading value. In contrast, foreign investors continued to be net sellers and set a monthly record of net selling worth USD 496 million. Totally, at the end of Q1 / 2021, foreign investors net sold USD 628 million compared to USD 813 million during the entire year of 2020. Regarding ETF cash flow, investors net bought USD 7 million in March.

March 2021 also marked the record number of newly opened securities trading accounts at 113,191 new accounts,.



Source: HSX, HNX, SSIAM.

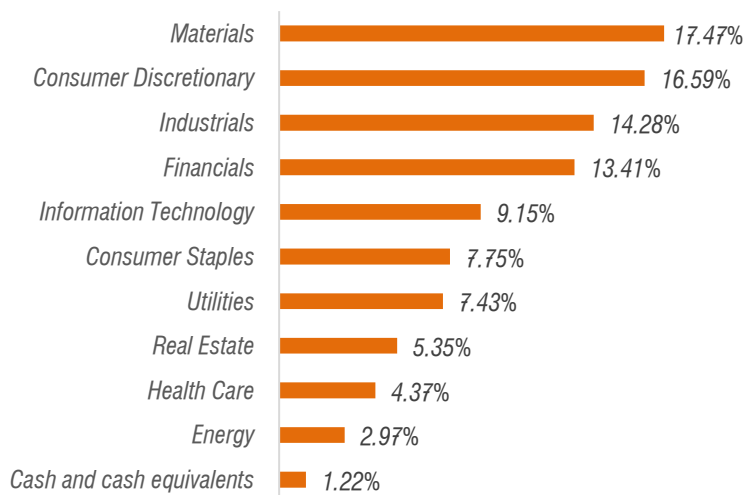
In March, the IT and banking industries had the top profit margins thanks to positive Q1 earnings outlooks and the positive impact of Moody's upgrading of Vietnamese commercial banks. In contrast, the energy and consumption sectors had the lowest profit margins due to adjusted oil prices and falling VNM share prices due to strong selling forces of foreign investors.

## Our view

We believe that the market will continue to have positive movements in the future based on a number of reasons:

- Cash flow from individual investors is still strong in the context of low interest rates. The large number of new accounts opened showcased the increasing interest of individual investors in the stock market. However, we have certain concerns as these cash flows are likely to target stocks with high speculation.
- Signals show that the selling force of foreign investors is gradually decreasing, especially at the end of March and the beginning of April. Additionally, the market is recording positive signs from new cash flow. Especially from Fubon FTSE 30 Vietnam ETF with a successful IPO of about USD 180 million. The prospect of raising additional capital is bright.
- At the end of March 2021, the 12-month P/E of the VN-Index reached 18.5x, which is still very attractive in the context of low interest rates and the forecasted 2021 average profit growth of the market reaching over 20% in the same period.
- H1 / 2021 business results growth prospect will be very positive in the context of the epidemic affecting business results of businesses in H1 / 2020 and thus creating low profits in the same period last year.
- The issue of overload at HOSE may not be resolved in the meantime. Therefore, stocks on HNX and Upcom can continue to benefit in the near future. However, in FPT's recent Annual General Meeting of Shareholders, FPT leaders confidently believed that the problem would be resolved within 3 months.

## ASSET ALLOCATION BY SECTORS (% NAV)



## TOP HOLDINGS AS OF 31/03/2021

Stock	Company Name	Sector	% NAV
<b>HPG</b>	Hoa Phat Group JSC	Materials	12.16%
<b>MWG</b>	Mobile World Investment Corp	Consumer Discretionary	11.11%
<b>FPT</b>	FPT Corp	Information Technology	9.15%
<b>TCB</b>	Vietnam Technological & Commercial Joint Stock Bank	Financials	4.96%
<b>IMP</b>	Imexpharm Pharmaceutical JSC	Health Care	4.37%

## TRADING OVERVIEW

**Dealing date:** Every Working day (Day T)

**Cut-off time:** 3:00 pm on Day T-1

**Trading confirmation:** Day T+1

### Determine NAV

Day T-1	Day T	Day T+1	Day T+2
3:00 pm: Cut-off time	Fund Certificates Dealing Date	Receive the trade confirmation	Redemption payment
<b>SUBSCRIPTION ORDER</b>			
Subscription amount	Minimum VND 2 million (not including transfer fee)		
Cut-off time	Cut off time to submit subscription/ redemption orders to Distributor: 3:00 pm on Day T-1. Cut off time to make fund transfer: 5:00 pm on Day T-1. If subscription payment is transferred from bank account of others not investor, the valid documents of payment confirmation must clearly state full name, SSI-SCA trading account, and payment amount of the beneficiary.		
Money transfer	Account name: <b>SSISCA</b> Bank: <b>Standard Chartered Bank (Vietnam) Ltd</b> Number account: <b>90275350205</b> Description: <b>[Name] [Account Number] buy SSISCA</b>		
Confirmation of money transfer	SSIAM will send the confirmation of money transfer to investors within 01 working day from the date the money is credited to the Fund.		
Trade Confirmation	Distributor will provide investors with the Trade Confirmation within 01 working days from the Dealing Date.		
<b>REDEMPTION ORDER</b>			
Trade Confirmation	Distributor will provide investors with the Trade Confirmation within 01 working days from the Dealing Date. E.g.: Trading day is Tuesday, investors will be received the Trade Confirmation on Wednesday.		
Redemption payment	Redemption payments (after tax and fees) shall be made directly to Investors' bank accounts within two (02) days from the Dealing Date.		
<b>SWITCHING ORDER</b>			
Investor can place switching orders between SSIBF and SSI-SCA Fund managed by the Fund Management Investor can choose to switch a portion or their entire outstanding Fund Units. Non-commercial transactions for an institution/individual shall be executed at Distributors and Investor must pay all the applicable fees and taxes related to the non-commercial transfer according to applicable regulations. Details on transfer order shall be advised by SSIAM			
<b>TRANSFER ORDER</b>			

## DISCLAIMER

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' advices to make appropriate investment decisions.