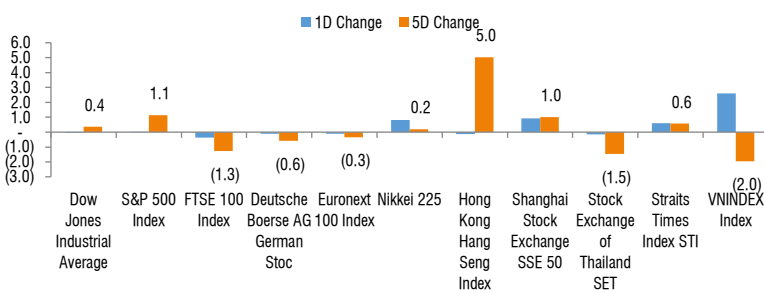
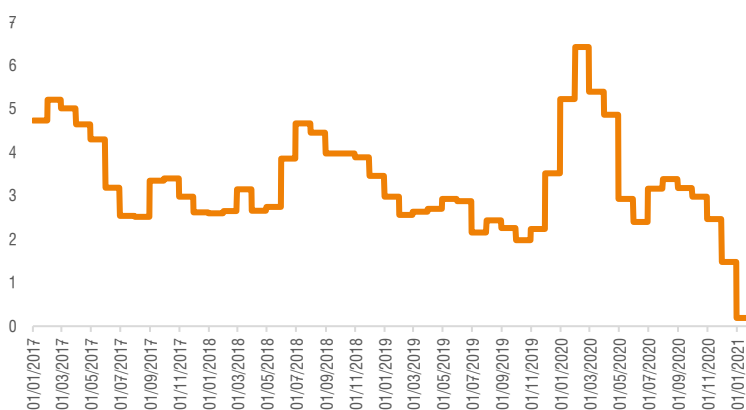


MACROECONOMICS

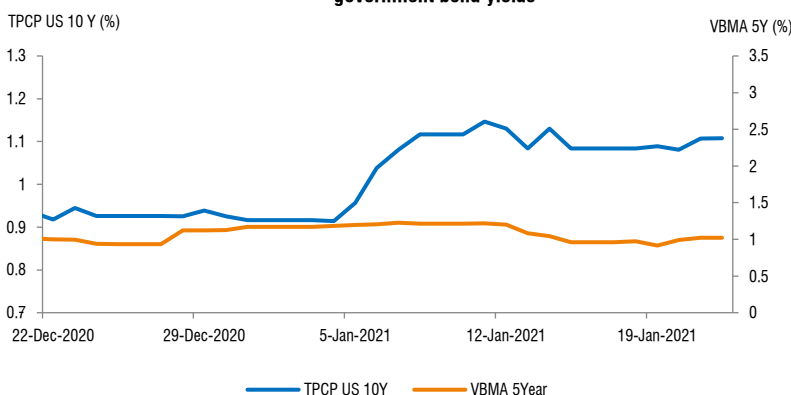
Global Indices



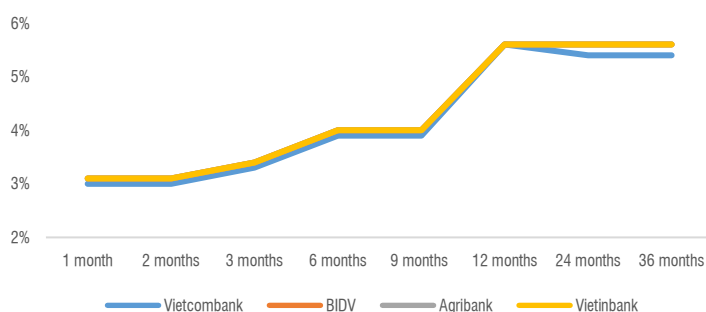
CPI MoM



10-year US government bond vs 5-year Vietnamese government bond yields



Deposit rates



Global: This week marks an important event as Joe Biden was sworn in as the 46th President of the United States. On his first day in office, Biden signed more than a dozen executive actions, some of which reverse the decisions made by his predecessor, former President Donald Trump. These include rejoining the Paris climate accord, undoing Trump’s Muslim ban, stopping the United States’ withdrawal from WHO and most importantly, 10 executive orders aim at combating the Covid-19 pandemic. The plan emphasizes ramping up testing, accelerating the pace of vaccinations and proposing a USD1.9 trillion coronavirus rescue package. Thus, US benchmark indices hit records over prospect of further stimulus and easing of trade tensions. Nasdaq climbed by 0.6%, FTSE rose as much as 0.4% to a peak, and the rise in S&P500 was the biggest on any presidential inauguration since 1985. MSCI’s Emerging Markets index also reached a record high, rising by more than 8% during January as investors expect international norms to return. The yield on the 10-year US Treasury bond which crossed the 1% benchmark for the first time since March, increased to 1.10%.

Vietnam: Within this week, the domestic market plunged strongly, just slightly lower than the 6.3% drop that occurred in March 2020. On Tuesday, VN-Index decreased by 60.94 points at closing, equivalent to a 5.11% decrease that pushed the Index to 1,131 points. Meanwhile, VN30 decreased by 66.02 points to 1,107.32 points. Even though there was no bad news, market liquidity made a record under the selling pressure as total matched value reached VND17,974 billion. Large stocks that put pressure on the market include: VIC (-6.89%), VCB (-4.16%), VHM (-4.16%), BID (-6.99%) and VNM (-4.94%), which showed that net sales of blue-chips stock were the main contributors to market’s decline.

The market anxieties stemmed from sell-to-cover activities and the bottleneck in traffic at the HSX stock exchange. The State Securities Commission (SSC) acknowledged the first congestion on 21 December as several trading orders could not be delivered to HSX and this issue persists to the present day. In order to tackle this issue, a new core system as a trading backbone will be deployed as soon as possible to replace the existing system. Thanks to this reassurance, VN-Index increased by 2.6% at closing while VN30 rose by 3.14% on Thursday. The market sentiment reverses as net buying overwhelms the net selling pressures.

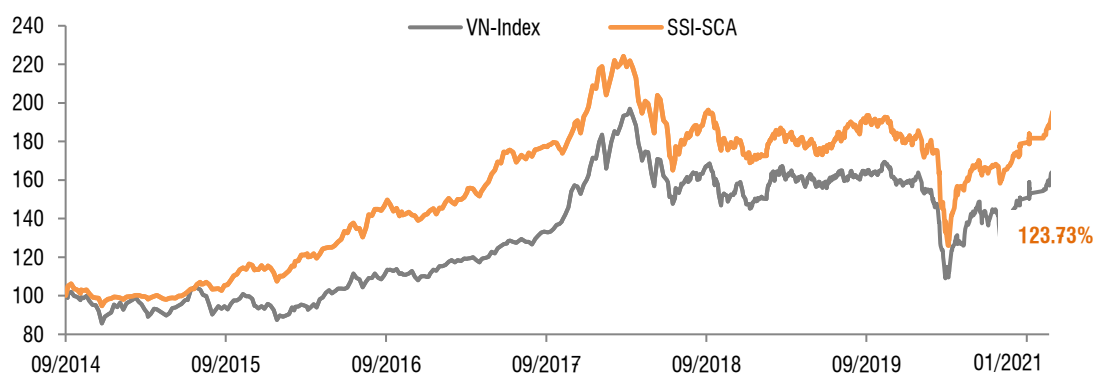
In other positive news, the government has issued new decree to remove vague and unenforceable rules that have delayed SOE IPO/divestment processes from 2H2018 until now. It addresses crucial factors such as valuation, post-IPO land usage plan, information disclosure and pricing in SOE divestment. However, such revisions have not been implemented immediately as the guideline Circular has not been issued since then by the Ministry of Finance and Ministry of Natural Resource and Environment.

We maintain our view that this is the period where we need to remain cautious as the market might overheat in the short-run despite the positive prospects in the medium and long-term. A lot of SSI-SCA's holdings are being considered for disbursement at a reasonable valuation range. The equity proportion of SSI-SCA remains high at 90% total asset.

NAV as of 21st Jan

NAV/Unit		% WoW	Profit		
			% MTD	% YTD	Since inception
22,373.20	SSI-SCA	-1.67%	4.18%	4.17%	123.73%
	VN-Index	-1.95%	5.47%	5.47%	92.44%

* Fund inception dated 26 Sep 2014



TOP HOLDINGS

TICKER	% NAV	TICKER	% NAV
HPG	11.85%	TDM	3.75%
MWG	11.66%	IMP	3.61%
FPT	10.66%	VTP	3.44%
TCB	4.84%	MBB	3.34%
VHM	4.13%	PLX	3.22%

PERFORMANCE INDICATORS

	SSI-SCA	VN-INDEX
P/E (12 month)	13.00x	18.94x
P/B	2.29x	2.49x
ROE	19.17%	13.73%
Yield	2.77%	1.40%

Source: Bloomberg, SSIAM

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