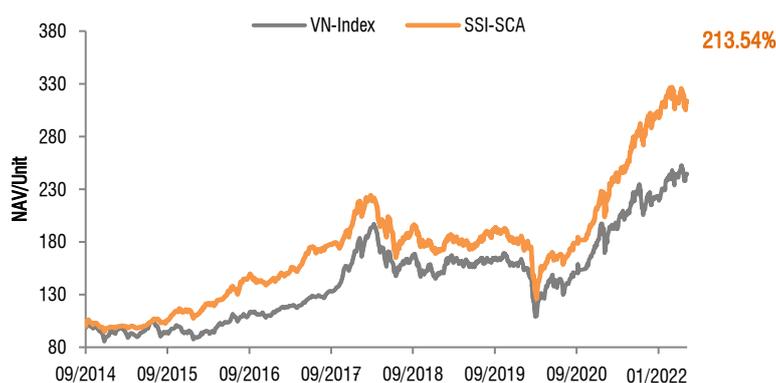


## MUTUAL FUND SSI-SCA

## 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>VND626.87 billion (~USD27.66 million)</b> (As of 31 January 2022)
<b>Fund operating period</b>	Unlimited
<b>Fund Management Company</b>	SSI Asset Management Co., Ltd <a href="https://www.ssiam.com.vn">https://www.ssiam.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>	VND500,000 (five hundred thousand)
<b>Expected Return</b>	13% - 15% / year

## FUND PERFORMANCE



	NAV/ Unit (VND)	Performance (%)							
		2016	2017	2018	2019	2020	2021	YTD	Since Inception
SSI-SCA	<b>31,353.54</b>	24.1	38.2	-12.1	3.9	18.6	49.9	-2.6	<b>213.5</b>
VN-Index		14.8	48.0	-9.3	7.7	14.9	35.7	-1.3	<b>144.5</b>

Data as of 31/01/2022, 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.ssiam.com.vn>

## FUND MANAGERS

**Bui Van Tot, CFA**

Portfolio Manager

E: [totbv@ssi.com.vn](mailto:totbv@ssi.com.vn)

**Nguyen Xuan Quynh**

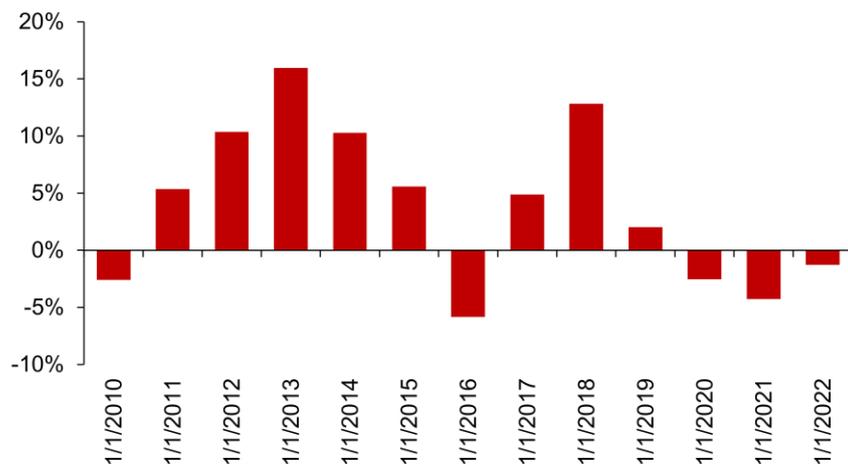
Portfolio Manager

E: [quynhnx@ssi.com.vn](mailto:quynhnx@ssi.com.vn)

## FUND COMMENTARY

There has been no “January Effect” in 2022 for the Vietnamese stock market. Ending January 2022, the VNIndex closed at 1,478.96 points, down by 1.3%. This is the 3rd year in a row VNIndex could not gain points in the first month of the year. Thus, since 2010, this is the 5th time VNIndex recorded negative growth in January.

Figure: VNIndex's January profit movement in the period 2010 – 2022



Source: Bloomberg, SSIAM

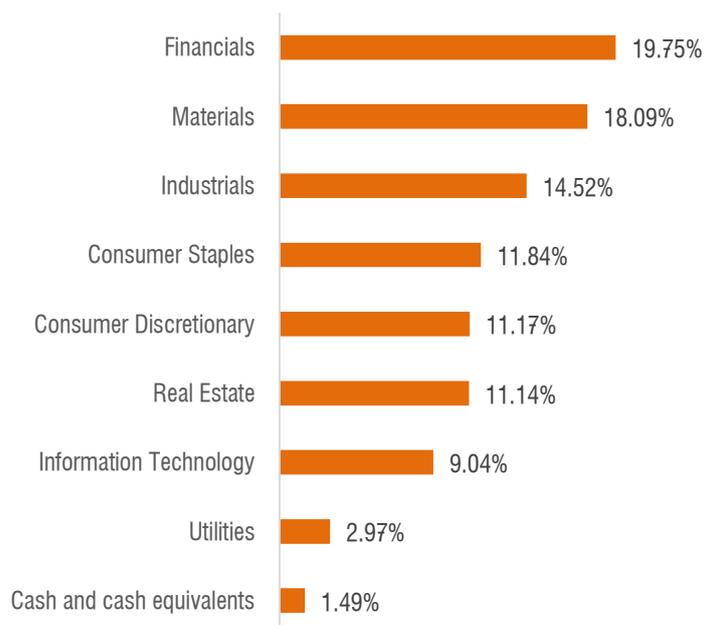
Liquidity improved 2% MoM with matched trading value of about VND 25.6 trillion. Cash flow tends to go to large-cap stocks, shown by the fact that VN30 matched trading value increased by 7% in comparison to December 2021 while trading value of small and medium-cap stocks represented by VNMid and VNSmall decreased by about 9% and 15%.

Foreign investors continued their net selling momentum with a value of VND 2,676 billion in January. The stocks that were sold the most were MSN, CII, NVL, VIC, VRE while the stocks that were bought the most were VHM, CTG, KBC, DXG and STB. In the opposite direction, ETFs were quite positive with a net inflow of more than VND 1,093 billion with the main contribution from Fubon FTSE Vietnam ETF. Prop trading of securities companies actively net bought in the first 3 weeks of January 2022 and only net sold in the last week of the month. In total, prop trading made a net purchase of VND 802 billion on the HSX in January 2022.

In terms of sectors, generally on both exchanges, mostly decreased. Groups with positive growth going against the market include: Banking (+8.96%), Utilities (+6.21%), Oil & Gas (+3.05%). On the other side, the sectors that dropped the most were Construction and Materials (-10.73%), Basic Resources (-10.21%). In the 2H2021 period, the movements of these industry leaders and laggards are completely opposite. This shows that the cash flow shift between industry groups has been happening. The mixed movements of sectors also reflect Q4/2021 earnings that were announced by businesses. Companies in the Consumer Staples, Consumer Discretionary, Oil & Gas, and Utilities sectors benefited from the reopening of the economy, increased production, spending, and travel demand and received additional resonance from the seasonal factor that is the Lunar New Year. Meanwhile, Construction and Materials group slowed down mainly because the selling price of construction material companies decreased after the previous strong growth period.

In our opinion, cash flow is diverging in the period when Q4 earnings are announced. We expect the cash flow will go to stocks with good fundamentals and show more savings than in 2021. In the period of 2021, the valuation of small and mid-cap stocks continue to grow sharply mainly due to the cash inflow from retail investors F0. However, many stocks in this group turned to drop sharply when Q4 earnings did not live up to expectations. The downside risk in this group remains if there is no strong supportive news to attract the cash inflow from retail investors. Market PE is at 16.7x, down from 17.4x at the end of 2021. With the general expectation of profit growth in 2022 of securities companies ranging from 12% - 18%, this market valuation is quite reasonable. We keep a cautious view, carefully select stocks and look for buying opportunities when the general market drops sharply.

## ASSET ALLOCATION BY SECTORS (% NAV)



## TOP HOLDINGS AS OF 31/01/2022

Stock	Company Name	Sector	% NAV
<b>MWG</b>	Mobile World Investment Corp	Consumer Discretionary	11.17%
<b>HPG</b>	Hoa Phat Group JSC	Materials	9.80%
<b>FPT</b>	FPT Corp	Information Technology	9.04%
<b>VHM</b>	Vinhomes JSC	Real Estate	8.23%
<b>CTG</b>	Vietinbank	Financials	5.00%

## 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 500,000 (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.			
<b>TRANSFER ORDER</b>			
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			

## 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.