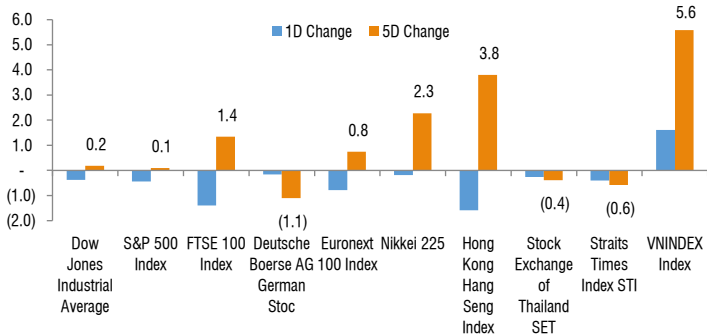
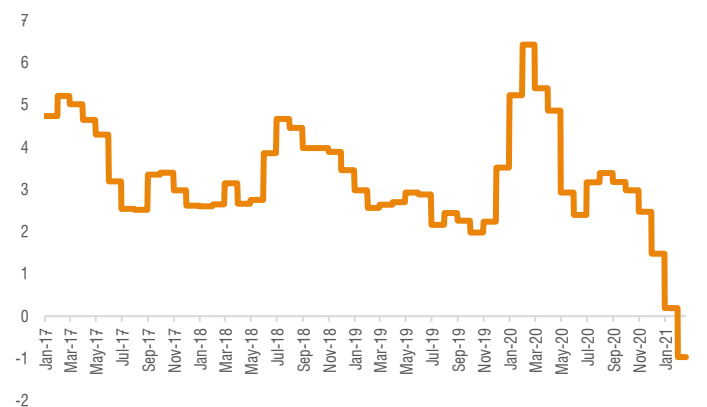


MACROECONOMICS

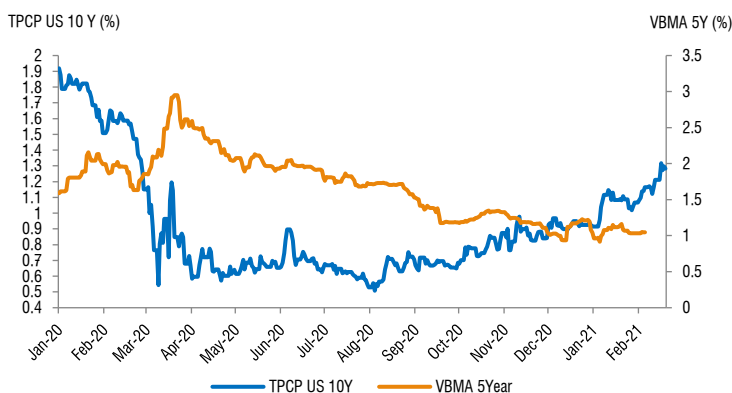
Global Indices



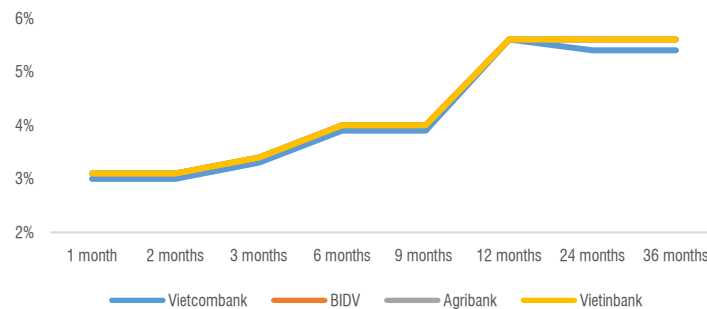
CPI MoM



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



Deposit rates



Global: In the opening weeks of 2021, the US saw sharp rise in yields as bond sell-off stirs worries over the stock market strength. During the coronavirus outbreak, high prices and low yields of Treasury bonds provide support for the stock market rally. However, as investors expect inflation to rise, the 10-year Treasury yield increased from 0.9% at the start of the year to 1.3% this week, the biggest monthly yields increase since 2018. One of the reasons for higher inflations come from Biden’s USD1.9 trillion stimulus which triggered fears of rapid rise in consumer prices. As inflation erode the value of fixed interest payments of bonds, the fixed income instrument become less attractive for investors. As jobless claims came in higher than expected on Thursday, the Dow Jones fell by 119.68 points, an equivalent of 0.4%, slipping from its record high. The technology-focused NASDAQ saw larger losses with a decrease of 0.7%. As the Federal Reserve’s January meeting was published on Wednesday, policymakers have reasons to believe the weakness of the economy due to the adverse impact of Covid-19 will continue, with inflation risks “weighted to the downside”.

Vietnam: The Ministry of Finance submitted its proposal to the Vietnamese central government for the next stimulus package for those impacted by the Covid-19 pandemic, in 2020 the government provided a tax break program for enterprises and household businesses who suffered from the Covid-19 pandemic (applicable for value-added tax, corporate income tax, personal income tax, special consumption tax, and land lease) for roughly 5 months. The total amount of deferred tax payments because of the package came to about VND87.3 tn (\$3.78 bn). So, the new package in essence basically means this tax break will be extended to 2021, though with some new adjustments.

On measures towards containing the recent outbreak, most provinces moved school to online mode for the time being, non-necessity services have been closed, and people returning from Hai Duong have been tested for Covid-19. There is also random testing in place in key cities in the country in order to get a better picture on the current situation. All factories have been reported as remaining open and/or operating along normal schedule. For a quick summary, total infections are 243 during the 7-day holiday, with 90% of these concentrated within Hai Duong.

For aggregate demand from the Lunar New Year festival, a new report from the Ministry of Labour, War Invalids, and Social Affairs estimated that in 2020 the monthly income for workers was about VND7.54 mil (\$328, -3% lower than in 2019), and the year-end bonus was around VND6.36 mil (\$277, or -5% lower than in 2019). Factoring in the recent Covid-19 outbreak as well gives us a big picture that does not imply a very good number for retail sales. Anyway, the Vietnamese government believes that it could increase 7-10% YoY this year, which we consider to be very optimistic.

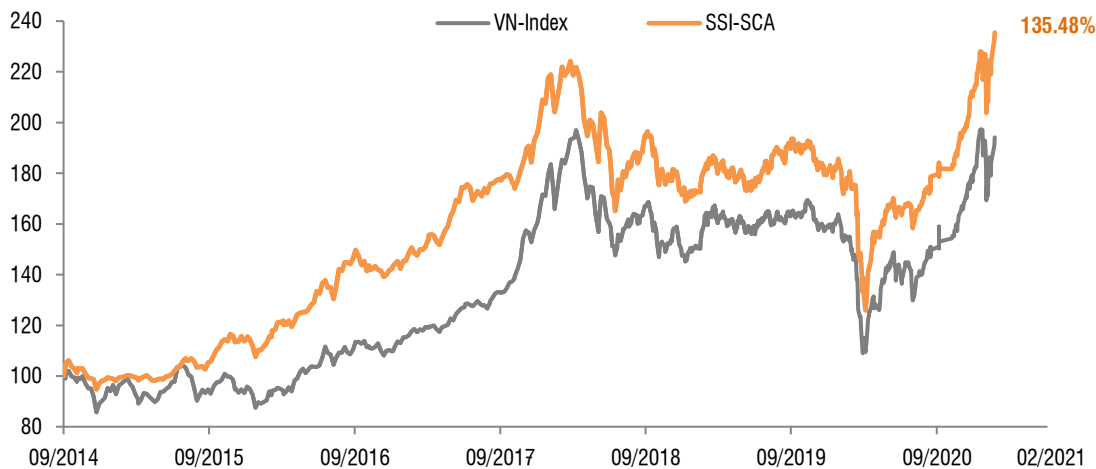
Despite the complicated pandemic developments during the Tet holiday, the market saw positive sessions at the beginning of the year. VN-Index increased by 1.6% on Thursday, reaching the highest monthly level. With such developments, VN-Index is only 20 points away from the previous peak that occurred on 15/01/2021. The buying momentum into the market is relatively strong and evenly spread among indices and industries, indicating the positive investor outlook after a long period of holiday.

Even though the pandemic is controlled, the risk associated with widespread infections meant quarantine and social distancing measures are imposed. This is the risk that can lead to strong corrections. However, with positive market prospects in the long-run and strong due diligence for investment opportunities, we can begin to disburse and increase the equity weights in the portfolio. Recently, SCA is disbursing and restructuring a small part of the portfolio to sustain the appropriate proportion of cash and equity. From now until mid-year, companies will release quarter earnings result and business plan which will open more investment opportunities. Currently, the equity weight in the portfolio is standing at 97%.

NAV as of 18th Feb

NAV/Unit		% WoW	Profit		
			% MTD	% YTD	Since inception
23,547.68	SSI-SCA	5.94%	13.15%	9.64%	135.48%
	VN-Index	5.59%	13.41%	6.39%	94.12%

* Fund inception dated 26 Sep 2014



TOP HOLDINGS

TICKER	SECTOR	% NAV
MWG	Consumer Discretionary	12.34%
FPT	Information Technology	12.05%
HPG	Materials	11.77%
TCB	Financials	4.93%
VHM	Real Estate	4.08%

PERFORMANCE INDICATORS

	SSI-SCA	VN-INDEX
P/E (12 month)	13.12x	18.36x
P/B	2.33x	2.46x
ROE	19.43%	14.01%
Yield	2.79%	1.51%

Source: Bloomberg, SSIAM

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