

# TIM Vietnam Actively Managed Certificate

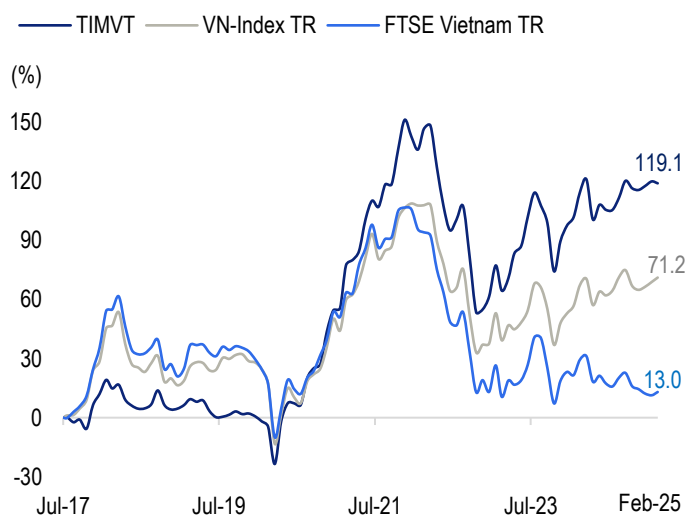


Actively Managed Certificate that offers investors 100% participation in fundamentally sound and fast-growing Vietnamese companies

Swiss strategy manager with a 15-year investment track record and a local presence in Vietnam

Daily liquidity with Helvetische Bank AG as market maker

## Net Performance Since Inception in USD



## Certificate Facts

Type	Open-end Dynamic Tracker Certificate
Currency	US Dollar
Min. Investment	USD 100
Mgmt-/ Admin Fee	1.0% / 0.5%
Performance Fee	10% with High Water Mark (HWM)
ISIN	CH0374214515
Issuer	Helvetische Bank AG
Inception	14 July 2017
Reference Index	FTSE Vietnam Index
Strategy Manager	Turicum Investment Management AG
Market Maker	Issuer with 0.5% spread
Clearing Institution/ Clearing Code	SIX SIS AG/ CH116589

## Net Performance in USD

All in USD (%)	YTD	1-month	3-month	6-month	1-year	3-year	5-year	Since inception
TIM VN	0.6	-0.4	1.6	3.4	2.2	-11.2	129.6	119.1
FTSE VN TR	0.7	1.5	-4.0	-6.1	-12.6	-41.8	-3.5	13.0
VN Index TR	2.8	1.3	1.2	-0.2	2.4	-17.7	46.0	71.2

For monthly performance since inception, please refer to the last page

## Certificate Activities

In February, the portfolio's Net Asset Value (NAV) decreased 0.4%, while the reference index, the FTSE Vietnam Index, rose 1.5%. Year-to-date (YTD), the portfolio is up 0.6%, compared to the reference index, which increased 0.7%.

Phuoc Hoa Rubber JSC (PHR, +24.9%) was the top performer this month. In February 2025, authorities in Binh Duong Province approved the 1/5000 general planning task for the Bac Tan Uyen Industrial Park (IP), covering 786 hectares. While still in the early stages of development, the project's developer plans to commence construction in September 2025. Under Binh Duong's 2021-2030 master plan, the project will be developed on PHR's rubber plantation land, entitling the company to receive income from rubber land sales.

The second-best performer was Techcombank (TCB, +3.6%), supported by an improving banking sector outlook. Total credit growth of the sector, despite a long Tet holiday, still posted positive growth vs a decline last year, suggesting recovering credit demand conditions for 2025 and lifting sentiment for bank stocks.

On the other hand, Binh Minh Plastic (BMP, -7.4%) was the main laggard in February. While there was no significant news, the stock faced selling pressure from foreign investors, similar to others. BMP is trading at a 2025F P/E of 9.5x and at a 2025F dividend yield of 10.5%. Thai Nguyen Hospital Group (TNH, -7.4%) was another main laggard, due to selling pressure from both domestic and foreign investors after the stock has increased 10% in January.

As of the end of February, the portfolio trades at a 2025F P/E ratio of 11.4x and at a P/B ratio of 1.5x.

## Top 5 Holdings

Ticker	Company Name	% Portf
DBD	Binh Dinh Pharmaceutical	12.1
DHC	Dong Hai JSC of Bentre	10.9
TCB	Vietnam Technological and Commercial Bank	10.4
BMP	Binh Minh Plastics JSC	9.0
TNH	TNH Hospital Group JSC	8.1

## Sector Allocation (%)

Health Care	22.0
Financials	17.1
Real Estate	16.5
Materials	16.1
Consumer Staples	13.0
Industrials	9.0
Utilities	2.9
Cash	3.6

## Valuation (\*)

	P/E (x)			EPS Growth (%)		
	2024	2025F	2026F	2024	2025F	2026F
TIM VN	13.5	11.4	9.6	0.2	17.8	19.3
FTSE VN	14.9	13.6	11.8	17.1	9.2	15.4
Top 100	13.0	11.3	9.6	19.5	15.6	17.2

	P/B (x)			Dividend Yield (%)		
	2024	2025F	2026F	2024	2025F	2026F
TIM VN	1.7	1.5	1.4	3.5	4.1	4.7
FTSE VN	1.5	1.4	1.3	1.5	1.8	2.0
Top 100	1.8	1.6	1.4	1.8	1.9	2.1

(\*) Multiples are calculated using the aggregated method.

## Statistics (\*\*)

Key metrics	TIM VN	VNI-TR	FTSE
Sharpe ratio (x)	-0.21	-0.34	-0.70
Info ratio vs. Reference (x)	n/a	0.33	1.15
Alpha vs. Reference (%)	n/a	1.98	8.31
Beta vs Reference (x)	n/a	0.95	0.78
Ann. Standard dev (%)	21.84	21.30	25.05

(\*\*) Portfolio statistics are calculated in 3-year period

## Vietnam's Update – Economy

Please recall that Vietnam had a long public holiday for Lunar New Year in January 2025. Hence, the combined Jan-Feb numbers will be used for year-over-year comparison.

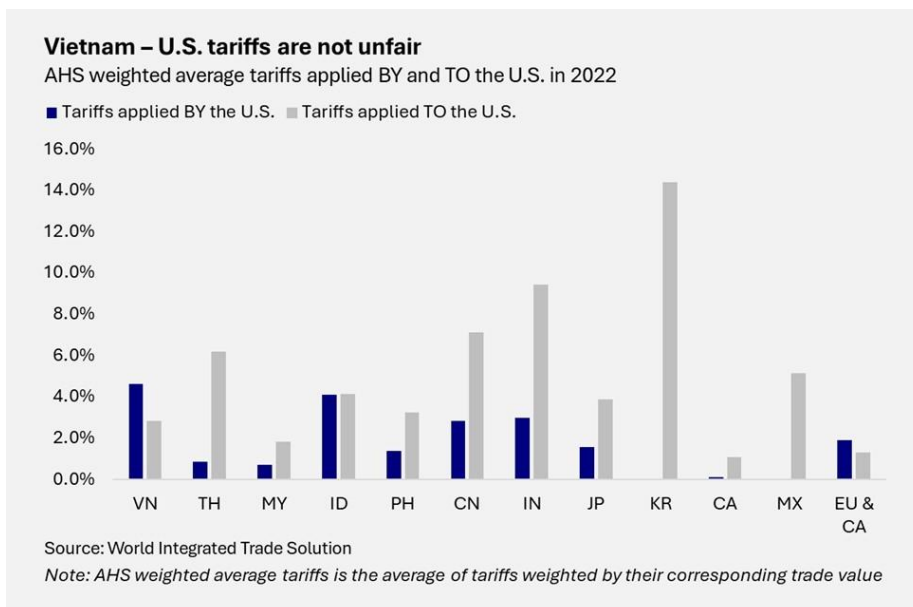
**With inflation remaining under control, retail sales maintained steady momentum.** The CPI rose 2.9% y/y, primarily driven by a 3.1% increase in food prices and a 14.5% rise in healthcare costs following government price adjustments and seasonal flu. Eating-out services were a key contributor to food inflation, reflecting strong post-Lunar New Year demand and increased foreign arrivals. Meanwhile, despite a 3% year-to-date rebound, gasoline prices remained at a low level, helping to contain overall cost pressures and to support purchasing power. These factors contributed to a 9.4% increase in retail sales, which also benefited from a sharp recovery in international tourism. Vietnam welcomed 3.96 million foreign visitors in the first two months, a 30.2% y/y increase, with Chinese arrivals surging 77.8% y/y to account for 24.1% of total inbound tourists, surpassing South Korea as the largest source market.

**Supply chain relocation continues to benefit Vietnam.** Total FDI registrations reached \$6.9 billion, up 35.5% y/y, while actual disbursements increased 5.4% to \$3.0 billion. The manufacturing sector continued to dominate, capturing 70.8% of total inflows as global firms expanded their supply chain diversification in Vietnam. At a meeting with Prime Minister Pham Minh Chinh on February 12, the CEO of Samsung Vietnam reaffirmed the company's commitment to expanding investments into AI, semiconductors, and digital transformation.

**Slight improvement in manufacturing, though cautious optimism was observed.** Manufacturing activity saw a modest pickup, with the Purchasing Managers' Index (PMI) rising from 48.9 in January to 49.2 in February, though new orders continued to fall. Firms continued purchasing raw materials to secure supply chains amid global trade uncertainties. However, the survey also pointed out that business confidence is gradually improving in the upcoming path of manufacturing output. This was mirrored in trade performance, where exports and imports grew 8.4% y/y and 15.9% y/y, respectively. Vietnam maintained a trade surplus of \$1.5 billion for the first two months of 2025.

**Vietnam's National Assembly concluded a high-stakes session (Feb 12-19),** approving several key policies to accelerate economic expansion, enhance efficiency, and unlock investment potential. With global uncertainties rising, policymakers are focusing on the domestic economy where decisive action can make a difference. The GDP growth target was revised upward from 6.5% to 8.0%, while new investment policies and special mechanisms for large-scale infrastructure and energy projects were introduced. Public investment surged 21.7% y/y, reinforcing its role as a major economic driver. Progress continued with major projects such as the North-South Expressway and the Long Thanh International Airport, with three new highways totaling 172 kilometers targeted for completion by April.

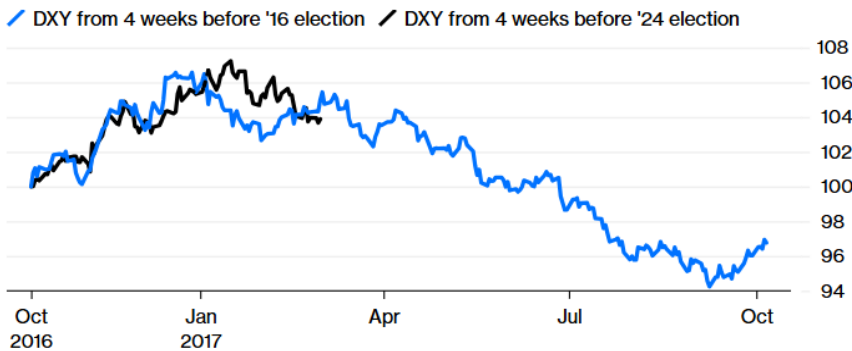
**The risk of reciprocal tariffs for Vietnam is low.** According to the World Integrated Trade Solution (WITS), Vietnam, taxes U.S. imports at a lower rate than the U.S. taxes Vietnamese goods. In addition, with the approval of a pilot program allowing foreign investment in satellite telecommunications networks, SpaceX, the parent company of Starlink, making it a potential candidate to enter the market. The timing is notable as SpaceX announced plans to invest \$1.5 billion in Vietnam, signaling a strategy of strengthening economic ties with the U.S. while reducing the risk of Vietnam becoming a target in a potential Trump 2.0 trade war



**The USD appreciated by 0.6% against the VND year-to-date.** After softening 1.5% in January and remaining stable till mid-February, the USD regained strength amid global concerns about a potential trade war and U.S. tariffs. On the back of elevated volatility and the likelihood of retaliation measures, we think that the pressure for the VND may persist. That said, Vietnam’s interest rate differential with the U.S. is close to zero now. What is more, given the experience of a weaker USD in Trump’s first term, the pressure is expected to ease gradually, especially as the FED is already in an easing cycle. We maintain our forecast that the VND will depreciate 3% in 2025.

**Repeat Dollar Performance Under Trump 2.0?**

So far, the dollar is following the same pattern from Trump's first term



Source: Bloomberg  
 Note: Normalized: 100 = 4 weeks before election date

**Vietnam is actively pursuing a credit rating upgrade**, with Prime Minister Pham Minh Chinh engaging with S&P Global Ratings’ Chief Commercial Officer Lynn Maxwell, to emphasize the country’s strong economic trajectory. He highlighted a GDP growth rate of 7.1% in 2024, an 8.0% target for 2025, and ongoing efforts to enhance financial system resilience. S&P’s recent acquisition of a 43.4% stake in FiiRatings, one of the four domestic credit rating agencies, reflects confidence in the local capital market. This investment not only raises domestic credit-rating standards but also signals increasing international recognition of market potential, reinforcing efforts toward deeper integration into global financial markets. Notably, Vietnam’s sovereign credit rating remains just one notch below investment grade, and a potential upgrade is expected to attract significant capital inflows.



## Vietnam's Update – Stock Market

**The VN-Index extended its upward trajectory in February, gaining 1.3% as market sentiment improved post-Tet.** Liquidity rebounded following the holiday, reflecting growing investor confidence in Vietnam's economic outlook. External pressures from the Trump 2.0 administration eased, as Vietnam appears unlikely to be a primary target of the U.S.'s reciprocal tariff measures. This shift allowed domestic investors to refocus on domestic economic conditions and corporate earnings, both of which are expected to remain strong throughout the year.

**Trading activity strengthened, with rising participation from local investors offsetting continued foreign outflows.** The average daily trading volume increased to \$702 million, a 38.7% improvement from pre-Tet January levels, underscoring renewed market confidence amid key economic and policy developments. Local individuals absorbed selling pressure from foreign investors. While foreign outflows reached \$654 million year-to-date, the pace of selling has moderated, suggesting a potential shift in sentiment.

**Banking, real estate, and materials led sectoral gains, while technology lagged due to global volatility.** The financial sector rose 1.9%, driven by strong credit growth (16% target) and expectations of improved asset quality. Real estate advanced 2.6%, supported by the implementation of Resolution 170, which unlocked key projects in major cities, subsequently fueling demand for construction materials and industrials. The materials sector, up 6.2%, benefited from tariff measures on Chinese HRC imports, bolstering the outlook for domestic steelmakers, particularly HPG (+3.5%). In contrast, the technology sector declined 9.5%, as global tech volatility led to profit-taking following strong gains in late 2024.

**Vietnam's market outlook remains positive, with key structural factors supporting long-term investment prospects.** Ongoing regulatory enhancements and encouraging infrastructure developments continue to increase the market's attractiveness, while a potential upgrade to an emerging market status could unlock substantial foreign capital inflows. Concerns over potential tariffs under a second Trump presidency may weigh on sentiment, particularly given Vietnam's \$104 billion trade surplus with the U.S. in 2024. However, as previously noted, we think that the likelihood of reciprocal tariffs remains rather low. Meanwhile, the government's strong commitment to economic growth is expected to drive corporate earnings, with the top 100 listed stocks projected to achieve 15.6% EPS growth in 2025, reinforcing solid fundamentals. The VN-Index's 2025F P/E of 11.3x remains compelling compared to regional markets, positioning Vietnam as an attractive diversification opportunity for global investors.

## Monthly Net Performance in USD

(%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2017</b>						0.0	0.3	-2.6	1.4	-4.7	12.7	5.4	<b>12.1</b>
<b>2018</b>	6.4	-3.6	1.6	-6.5	-2.8	-1.5	0.2	2.0	6.5	-6.5	-2.1	0.4	<b>-6.7</b>
<b>2019</b>	1.8	2.8	-1.2	0.6	-5.1	-2.9	0.2	1.0	1.6	-1.3	0.3	-1.5	<b>-3.8</b>
<b>2020</b>	-2.6	-2.7	-19.9	28.2	9.5	0.0	-0.8	12.9	4.1	1.6	12.9	7.7	<b>53.6</b>
<b>2021</b>	0.7	14.0	1.5	2.5	8.8	4.6	-1.5	5.5	0.0	8.2	6.3	-3.3	<b>57.2</b>
<b>2022</b>	-2.8	4.4	0.7	-8.5	-8.7	-6.0	2.8	3.4	-12.2	-15.7	0.9	4.3	<b>-33.5</b>
<b>2023</b>	9.7	-7.2	3.8	7.4	2.2	7.8	6.1	-3.1	-4.2	-12.3	8.7	4.2	<b>22.3</b>
<b>2024</b>	2.2	6.2	3.2	-9.2	3.7	-1.2	0.0	3.0	4.0	-1.7	-0.4	0.9	<b>10.2</b>
<b>2025</b>	1.1	-0.4											<b>0.6</b>

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