



VIETFUND
MANAGEMENT

MONTHLY UPDATES | VFM

February 2011

VIETFUND MANAGEMENT (VFM)

VietFund Management (VFM) is a leading financial services and investment firm, offering a wide range of financial services in managing investment funds and discretionary portfolio management to domestic and international investors.

In 2008, VFM focused on carrying out Discretionary Portfolio Management service to our individual and institutional investors as well as national and international financial institutions. We have expertise and experience management team and offer professional solutions in this field.

By entrusting the management of your assets to us, you can be sure your portfolio will be managed professionally - leaving you more time for yourself.



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VF1

Fund performance in February 2011

In February 2011, Vietnam's stock market received bad macro news that affected VN-index and HN-index. Specifically, VN-index and HN-index plunged 9.6% and 10.0% respectively with many stocks moving down. On a year-to-date basis, VF1 decreased 10.7% which was equivalent to the decline of VN-Index and HN-index.

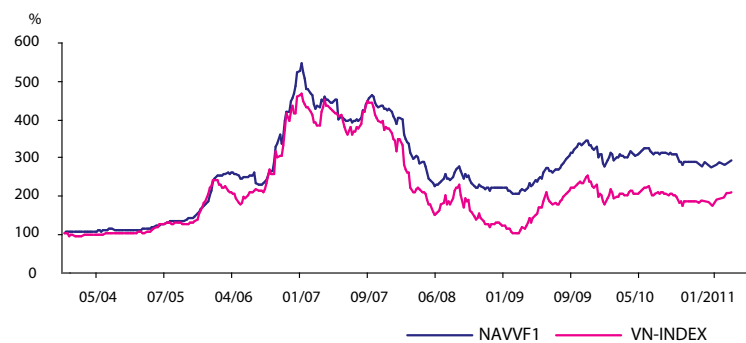
Fund name	Quỹ đầu tư Chứng khoán Việt Nam Fund (VF1)
English name	Vietnam Securities Investment Fund
Trading Code	VFMVF1
Fund type	Closed-end public fund
Current chartered capital	1,000,000,000,000 VND
Outstanding fund unit	100,000,000 units
Inception date	May 20, 2004
Listing date	November 8, 2004
Fund term	10 years
Management Fund	VietFund Management (VFM)
Custodian	Joint Stock Commercial Bank for foreign trade of Viet nam (Vietcombank)
Management fee	2%/NAV/year
Custodian & depositing fees	0.12%/NAV/year
Dividend	By annual, based on realized return and approved by Annual Meeting of Investors.
Investment objective	VF1 aims to invest to listed and unlisted shares, fixed-income securities and other financial instruments to build a balanced portfolio.

Movement in net asset value (NAV)

	28/02/2011			Performance (%)					Since inception (24/05/2004)
	Fund size (VND bn)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	
VF1	1,000	1,940.5(*)	19,405	(10.7)	(7.4)	(12.0)	(20.3)	(8.7)	106.1
VN-Index			461.4	(9.6)	2.2	1.4	(9.1)	(4.8)	76.4
HNX-Index			95,9	(10.0)	(11.5)	(25.3)	(41.4)	(16.0)	(4.1)

(*) Including 15% dividend paid for investor in May2010

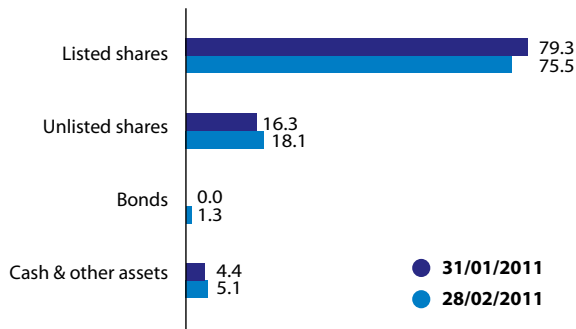
NAV VF1 PERFORMANCE VS. INDEX 24/05/2004=100



NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date (YTD)	YTD annualized
2011	2.2	(10.7)											(8.7)	(42.2)
2010	(0.8)	0.6	2.3	7.0	(4.6)	0.2	1.3	(7.9)	(0.2)	(0.6)	(3.9)	1.4	(8.2)	(8.2)
2009	(1.4)	(7.5)	4.5	8.6	10.7	8.4	7.7	14.3	8.5	(0.6)	(8.6)	1.5	50.9	50.9
2008	(6.0)	(15.0)	(15.7)	(9.0)	(20.0)	(4.2)	6.7	14.2	(9.7)	(14.0)	(1.0)	0.6	(55.8)	(55.8)
2007	25.0	47.6	33.0	19.9	24.9	0.1	(3.5)(*)	(2.1)	5.8	8.8	(4.2)	(2.1)	46.1(*)	46.1(*)
2006	6.0	14.7	10.3	33.5	4.0	3.2	(8.4)	1.3	4.7	(4.4)(*)	15.2	31.0	175.1(*)	175.1(*)
2005	0.04	2.4	1.1	(2.4)	0.2	0.5	0.2	3.5	5.6	5.8	4.7	1.2	25.2	25.2
2004						1.0	(0.6)	(0.2)	0.3	0.6	(0.2)	0.6	1.6	3.2

(*) based on weighted issued capital

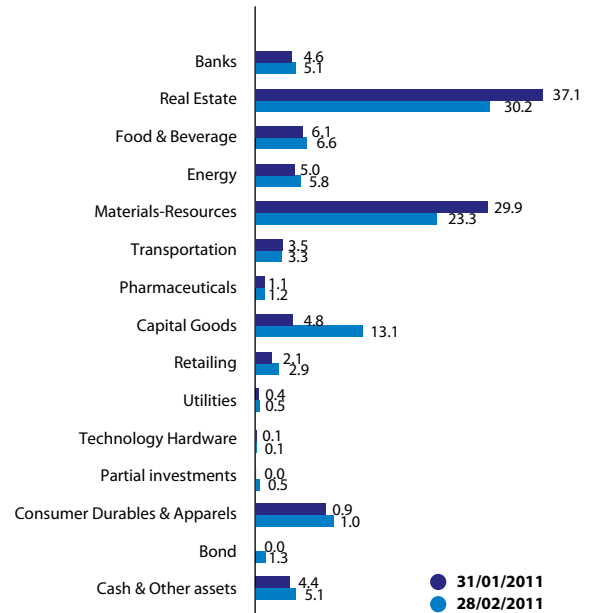
Asset allocation (%)



In February 2011, VF1 Fund has made a few adjustments in asset allocations. In February 28 2011, the proportion of listed share comprised of 75.5% NAV. This change came from two sources: (1) VF1 divestment raised the proportion of cash going up to 5% NAV; (2) the decline of stock prices in listed share reduce their proportion on the portfolio.

In February 2011, VF1 Fund invested in the convertible bond and its investment value comprised of 1.3% NAV as at February 28 2010.

Investment by industries (%)



The investments grouped by industries in February 2011 had little change as compared to the previous month's figure when the two largest sectors still belonged to Real Estate & Infrastructure and Materials & Resources.

The net investments in February 2011 were primarily in Capital Goods, Energy and Retailing while net divestments were focused in Real Estate, Materials & Resources.

As at February 28 2011, the top 4 industries were: Infrastructure & Real Estate, Capital Goods, Food & Beverage and Materials & Resources which comprised of 73.1% of VF1's NAV.

VF4

Fund performance in February 2011

Vietnam stock market experienced a sharp loss in 02/2011 after the government announced a series of new tightening monetary policies to temper inflation and stabilize macro-economic conditions such as reducing credit growth limit, devalue VND by almost 9.3% etc. Those factors have negatively affected investors and triggered a sell-off in both listing bourse. In addition, foreign investors also stopped their net buying activities as well. VN-Index reduced 9.6% and HNX-index reduced 10%.

VF4's NAV/unit during 02/2011 declined 13% to VND 8.055/units.

Fund name	Quỹ đầu tư Doanh nghiệp Hàng đầu Việt Nam (VF4)
English name	Vietnam Blue-chips Fund
Trading Code	VF4
Fund type	Closed-end public fund
Current chartered capital	806,460,000,000 VND
Outstanding fund unit	80,646,000 units
Inception date	29/02/2008
Listing date	12/6/2010
Fund term	10 years
Management Fund	VietFund Management (VFM)
Custodian	HSBC Bank (Vietnam) Ltd., Hochiminh City Branch
Management fee	2%/NAV/year
Custodian & depositing fees	0.08%/NAV/year
Dividend	By annual, based on realized return and approved by Annual Meeting of Investors.
Investment objective	VF4 aims to achieve long term capital growth with optimal risk through investing in IPOs of the big State Owned Enterprises and blue chips companies. These companies have shown consistent growth over the years, and are expected to sustain growth in the future.

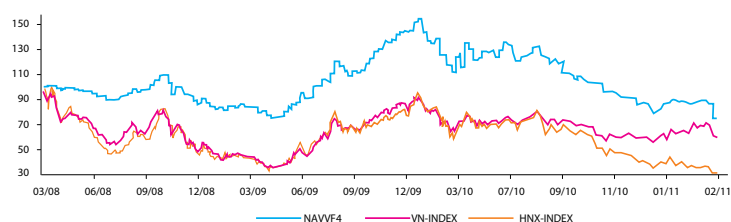
Movement in NAV

	28/02/2011			Performance (%)			
	Fund size (VND bn.)	NAV (VND bn.)	Unit NAV (VND)	1 month	3 month	YTD	Since inception (28/02/2008)
VF4	806.5	649.6*	8,055 *	(13.0)	(7.8)	(12.2)	0.5
VN-Index			461.4	(9.6)	2.2	(4.8)	(32.0)
HNX-Index			95.9	(10.0)	(11.5)	(16.0)	(58.7)

(* excluding unit dividend of VND1,000 advancing in 12/2009 and VND1,000 advancing in 05/2010)

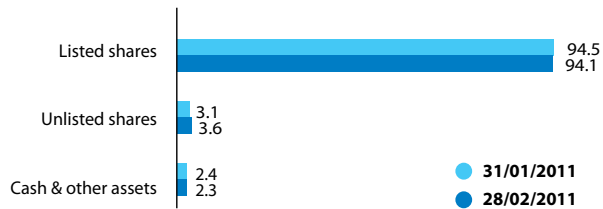
NAV VF4 PERFORMANCE VS. INDICES

28/02/2008=100



NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date	YTD annualized
2011	1.0	(13.0)											(12.2)	
2010	(3.4)	1.6	3.3	8.0	1.4	(0.8)	(4.1)	(9.4)	(10.7)	(2.2)	(3.3)	4.9	(13.1)	6.4
2009	(1.3)	(9.0)	8.3	11.2	13.0	6.5	7.6	16.6	6.1	(1.4)	(13.2)	0.5	48.9	48.9
2008			(2.0)	(0.9)	(5.7)	0.4	6.3	11.5	(8.5)	(12.7)	(3.7)	1.7	(17.4)	(17.4)

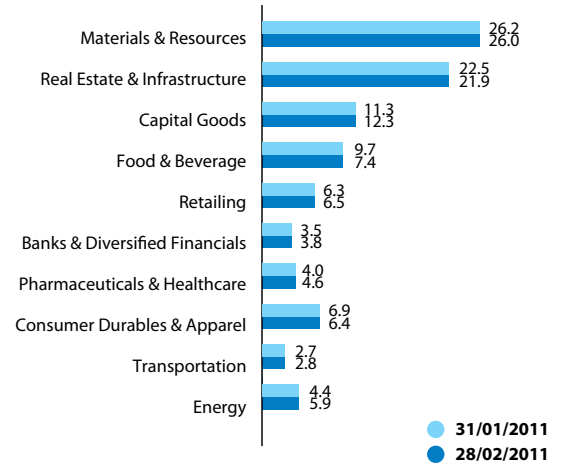
Asset allocation (%)



In 02/2010, the proportion of listed stocks, unlisted stocks and Cash & Other assets were almost unchanged from that of 01/2011.

As of 28/02/2011 listed stocks accounted for 94.1% NAV, Unlisted stocks accounted for 3.6% and cash and other assets remained at 2.3% NAV.

Investment by industries (%)



In 02/2011, there was little change in portfolio's structure by industries with Materials & Resources, Infrastructure & Real Estate and Capital Goods are still in the top 3 holding sectors. Weighting of different sectors were changed mainly due to change in price of stocks rather than net buying or net selling activities.

As at 28/02/2011, VF4's portfolios included 35 stocks in 10 industries (same as at 31/01/2011). The top 3 holding by sectors were:

- + Materials & Resources (26.0%),
- + Infrastructure & Real Estate (21.9%),
- + Capital Goods (12.3%).



VFA

Fund name	Quỹ đầu tư Năng động Việt Nam (VFA)
English name	Vietnam Active Fund
Trading Code	VFMVFA
Fund type	Closed-end public fund
Current chartered capital	240,437,600,000 VND
Outstanding fund unit	24,043,760 units
Inception date	02/05/2010
Listing date	08/09/2010
Fund term	5 years
Management Fund	VietFund Management (VFM)
Custodian	Far East National Bank - Hochiminh City Branch
Management fee	2%/NAV/year
Custodian & depositing fees	0.04%/NAV/year
Dividend	Distribute at least 50% of its realized profit to investors every year.
Investment objective	To capture medium to long-term capital appreciation on Vietnam market, accompanied by capital preservation during adverse market conditions, based on the main strategy of trend-following.

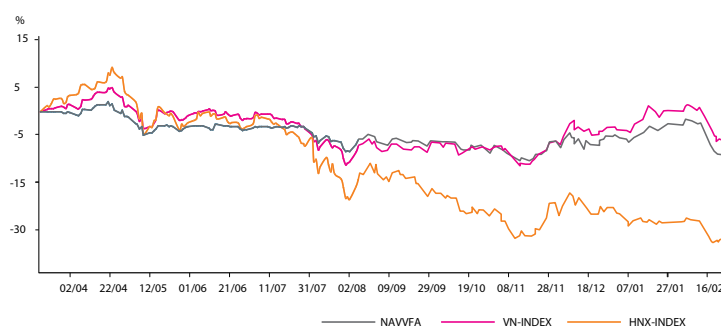
Fund performance in February 2011

During February 2011, Vietnam stock market reacted negatively to the adverse macroeconomic condition. Consequently, VN-Index lost 9.6% and HNX-Index plunged 10.0%. VFA's Fund's NAV also lost 10.3%, equivalent to the drop of VN-Index and HNX-Index.

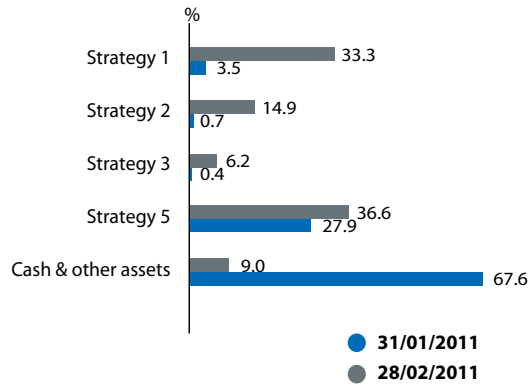
	28/02/2011			Performance (%)					
	Fund size (VND bn.)	NAV (VND bn.)	Unit NAV	1 month	3 month	6 month	9 month	YTD	Since inception (2/4/2010)
VFA	240.4	207.6	8.635.9	(10.3)	(1.9)	(5.0)	(9.6)	(6.2)	(13.6)
VN-Index			461.4	(9.6)	2.2	1.4	(9.1)	(4.8)	(9.6)
HNX-Index			95.9	(10.0)	(11.5)	(25.3)	(41.4)	(16.0)	(41.6)

NAV VFA PERFORMANCE VS. INDICES

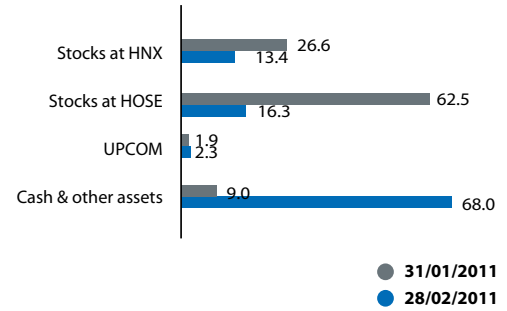
02/04/2010=100



By Strategies



By asset allocation (%)



In February 2010, all trend following strategies implemented divesting activities following the generated sell signal. As a result, their proportions were reduced to nearly 0%. The remaining holdings were primarily bonus stocks which could not be traded due to the settlement procedure.

Strategy 5- stock picking strategy- also reduced its holding by divesting listed stocks because of the unstable macroeconomic conditions. Consequently, its proportion decreased from 33.3% NAV down to 27.9% NAV. Cash available increased from 9.0% to 67.7% NAV due to the divesting activities during February 2010.

The relative weight between stocks listed on HOSE and HNX shifted toward HNX's stocks with the ratio of approximately 55:45 while this ratio was approximately 70:30 as at 31/1/2011.



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