



VIETFUND
MANAGEMENT

MONTHLY UPDATES | VFM


July 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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VF2 Investment Fund
VF4 Investment Fund
VFA Investment Fund

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VF1

Fund performance in July 2011

In July 2011, Vietnam's stocks' movement plunged as the VN-Index and HN-Index dropped 6.2% and 6.5% respectively with many stocks moving down.

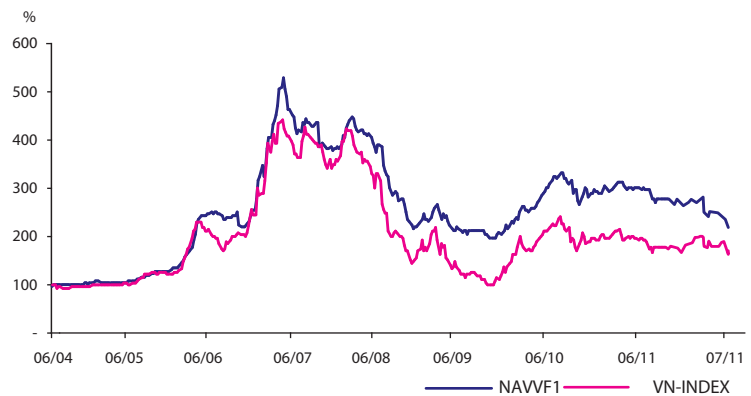
On a month-on-month basis, the VF1 decreased 4.7% which outperformed both VN-Index and HNX-Index.

Movement in net asset value (NAV)

	31/07/2011			Performance (%)					
	Fund size (VND bn)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception (24/05/2004)
VF1	1,000	1,570.6	15,706	(4.7)	(13.0)	(22.3)	(28.2)	(26.1)	69.1
VN-Index			405.7	(6.2)	(15.5)	(20.5)	(10.4)	(16.3)	55.1
HNX-Index			69.6	(6.5)	(16.8)	(34.8)	(38.4)	(39.1)	(30.5)

(*) Including 15% dividend paid for investor

NAV VF1 Performance VS. Index 24/05/2004=100

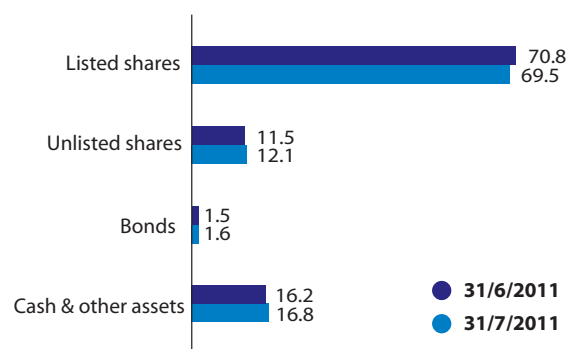


NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date (YTD)	YTD annualized
2011	2.2	(10.7)	(1.8)	(5.2)	(10.2)	1.6	(4.7)						(26.1)	(40.5)
2010	(0.8)	0.6	2.3	7.0	(4.6)	0.2	1.3	(7.9)	(0.2)	(0.6)	(3.9)	1.4	(8.2)	(8.2)
2009	(1.4)	(7.5)	4.5	8.6	10.7	8.4	7.7	14.3	8.5	(0.6)	(8.6)	1.5	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

Fund name	Quỹ đầu tư Chứng khoán Việt Nam Fund (VF1)
English name	Vietnam Securities Investment Fund
Trading Code	VF1
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	0.08%/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.

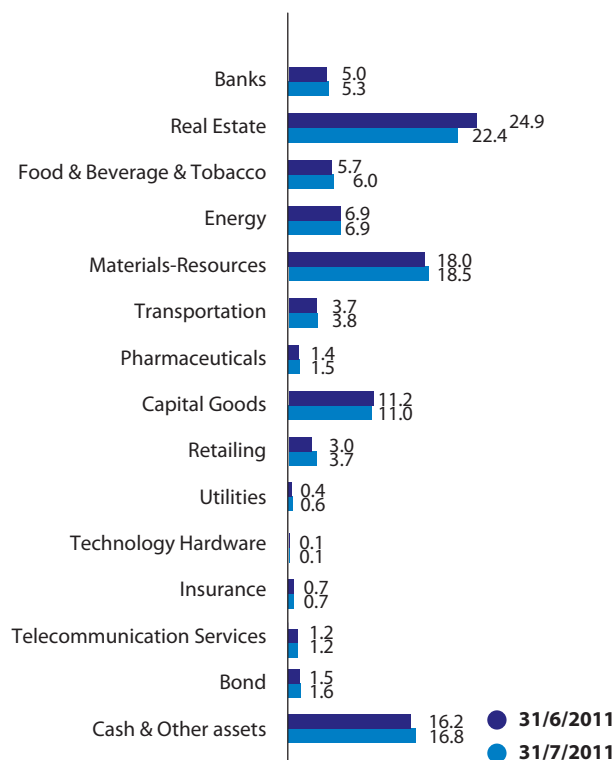
Asset allocation (%)



As at July 31 2011, the proportion of listed shares decreased from 70.8% to 69.5%. The main reason of this decrease was that the market price of many stocks in the VF1's portfolio decreased. On the other hand, the proportion of unlisted shares increased from 11.5% to 12.1% since the market price of many unlisted stocks increased.

The investments and divestments in July 2011 were equivalent. Therefore, the proportion of cash comprised about 16.8% NAV and was almost the same with previous month's figure.

Investment by industries (%)



The investments classified by industries in July 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 July 2011 were primarily in Materials & Resources while net divestments were focused on Real Estate.

As at July 31 2011, the top 4 industries were: Infrastructure & Real Estate, Capital Goods, Food & Beverage and Materials & Resources which comprised 57.9% of VF1's NAV.

VF4

Fund performance in July 2011

As of the end of July 2011, Vietnam's stock market continued the down trend with VN-Index and HNX-Index decreased by 6.2% and 6.6% respectively. Stock prices continued to suffer a significant loss due to the macro-economic instability as inflation ended 1.17% higher m-o-m and monetary policy continued to be more tighten. In an eroding market, VF4 only decreased slightly by 0.6% compared to the end of June. In the mean time, VF4 continued to restructure the portfolio and seek for opportunities to invest.

VF4's NAV/unit during 07/2011 declined 0.6% to VND 6.691/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	28/02/2008
Listing date	12/06/2008
Fund term	10 years
Management Fund	VietFund Management (VFM)
Custodian	HSBC Bank (Vietnam) Ltd., Hochiminh City Branch
Management fee	1,5%/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.

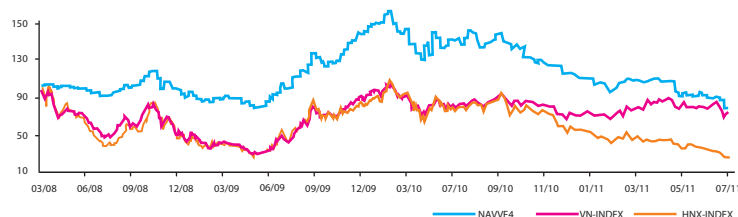
Movement in NAV

	31/07/2011			Performance (%)			
	Fund size (VND bn.)	NAV (VND bn.)	Unit NAV (VND)	1 month	3 month	YTD	Since inception (28/02/2008)
VF4	806.5	530.4	6,691*	(0.6)	(0.6)	(27.0)	(13.1)
VN-Index			405.7	(6.2)	(6.2)	(16.3)	(40.2)
HNX-Index			69.6	(6.6)	(6.6)	(39.2)	(67.0)

(* excluding unit dividend of VND1,000 advancing in 12/2009 and VND1,000 advancing in 04/2010)

NAV VF4 Performance VS. Indices

28/02/2008=100

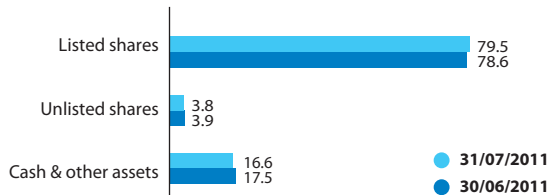


Top 5 holdings

Stock	Listing status	% NAV
FPT	HOSE	7.6
DPM	HOSE	7.2
HPG	HOSE	6.2
TCM	HOSE	5.6
PVD	HOSE	5.1

NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date	YTD annualized
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)
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
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)	(21.6)
2011	1.0	(13.0)	(3.1)	(4.3)	(12.0)	2.4	(0.6)						(27.0)	(55.0)

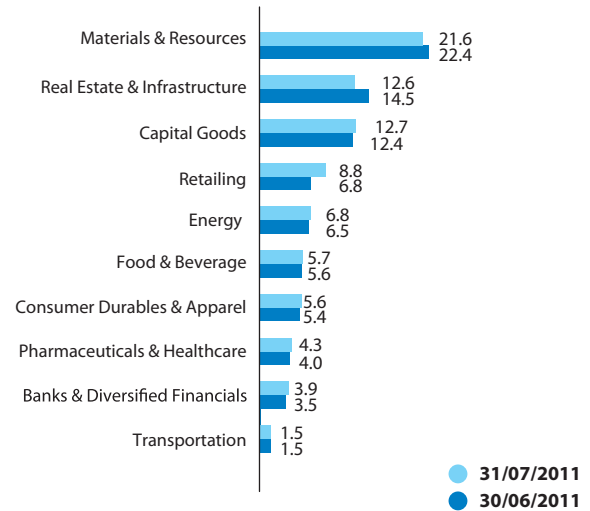
Asset allocation (%)



In 07/2010, the proportion of listed stocks increased slightly from 78.6% to 79.5%. Divesting activities are mainly on Real estate stocks while Retailing stocks are the buying targets. Meanwhile, the proportion of listed stock increased slightly due to the net buying in Retailing sector.

Cash and other asset decreased from 17.5% as of 30/06/2011 down to 16.6% as of 31/07/2011.

Investment by industries (%)



In 07/2011 Materials & Resources, Infrastructure & Real Estate and Capital Goods are the top 3 holding sectors. Holding of Retailing sector increased 2% due to some major disbursements into Retailing stocks. Proportion of Materials & Resources and Infrastructure & Real Estate declined by 0.8% and 1.9% due to decrease in market value and divesting activities. The proportion of other sectors changed slightly due to price's fluctuation.

As at 31/07/2011, VF4's portfolios included 30 stocks in 11 industries. The top 3 holding by sectors were:

- + Materials & Resources (21.6%).
- + Infrastructure & Real Estate (12.6%),
- + Capital Goods (12.7%)



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 July 2011

During July 2011, Vietnamese stock market continued its down-trend as VN-Index and HNX-Index decreased 6.2% and 6.5% respectively. In the same period, VFA Fund's NAV decreased 2.8%. On a year-to-date basis, VFA Fund's NAV decreased 14.8% and outperformed both VN-Index (dropped 16.3%) and HNX-Index (plunged 39.1%).

Movement in NAV

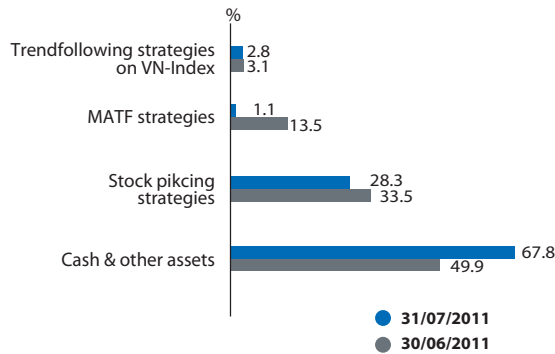
	31/07/2011			Performance (%)					
	Fund size (VND bn.)	NAV (VND bn.)	Unit NAV	1 month	3 month	6 month	9 month	YTD	Since inception (2/4/2010)
VFA	240.4	188.8	7,850.4	(2.8)	(6.9)	(18.4)	(12.2)	(14.8)	(21.5)
VN-Index			405.7	(6.2)	(15.5)	(20.5)	(10.4)	(16.3)	(20.5)
HNX-Index			69.6	(6.5)	(16.8)	(34.8)	(38.4)	(39.1)	(57.6)

NAV VFA Performance VS. Indices

02/04/2010=100



By Strategies

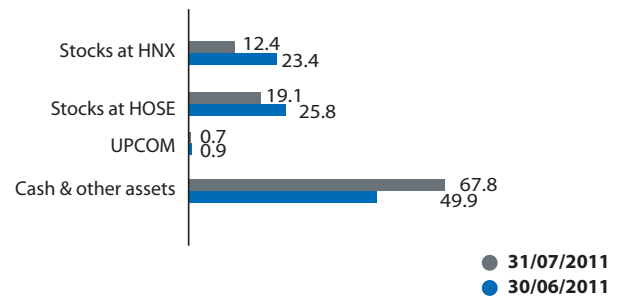


In July 2011, Model-Averaging-trend-following strategy (MATF strategy) implemented sell signals as market reversed down. As a result, MATF' stock holding decreased from 13.5% NAV in June down to 1.1% NAV in July 2011.

Stock picking strategy also took profit by sell part of their investment. Consequently, stock picking strategy's proportion decreased from 33.5% down to 28.3% NAV.

Cash holding still occupied large proportion in the portfolio (67.8%) as interest rate maintained its high level and stock market still could not escape from its downtrend.

By asset allocation (%)



Compared to June 2011, stocks listed in HOSE as well as stocks listed in HNX decreased their proportion as MATF strategy divested almost all its HNX' stocks while stock picking strategy took profit on HOSE' stocks.



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