



VIETFUND
MANAGEMENT

MONTHLY UPDATES

May 2012

VFM

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.



Head Office:

Unit 1701 - 04, 17th Floor, Me Linh Point Tower
 02 Ngo Duc Ke Street, District 1 Ho Chi Minh City, Vietnam
 Tel: +84 8 3825 1488 Fax: +84 8 3825 1489

Hanoi Branch:

Unit 903, 9th Floor, HCO Tower
 44B Ly Thuong Kiet Street, Hoan Kiem Dist., Ha Noi, Vietnam
 Tel: +84 4 3942 8168 Fax: +84 4 3942 8169

VF1

Fund performance in May 2012

In May, Vietnam stock market turned into the correction phase after months of rallying. Adding into the declining pressure, the escalation of Europe's debt crisis has also impacted negatively on foreign and domestic investor's psychology. As a result, Vn-Index and HNX-Index respectively closed at 429.2 and 74.1 or 9.4% and 7.3% down from last month.

At the month end, VF1's NAV decreased to 15,664.5VND/unit, or 5.2% down from last month. NAV's year to date growth was at 20.6%.

Fund name	Quỹ đầu tư Chứng khoán Việt Nam Fund (VF1)
English name	Vietnam Securities Investment Fund
Trading Code	VFMFV1
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 24, 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 fee	0.02%/NAV/year (excluded 10% VAT)
Deposit fee	0.06%/NAV/year (free of VAT)
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)

	31/05/2012			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	1,566.4	15,664	(5.2)	4.3	16.3	(4.6)	20.6	56.6
VN-Index			429.2	(9.4)	1.3	12.7	1.1	22.1	64.1
HNX-Index			74.1	(7.3)	7.8	22.5	1.2	26.1	(25.9)

(*) Excluding dividends

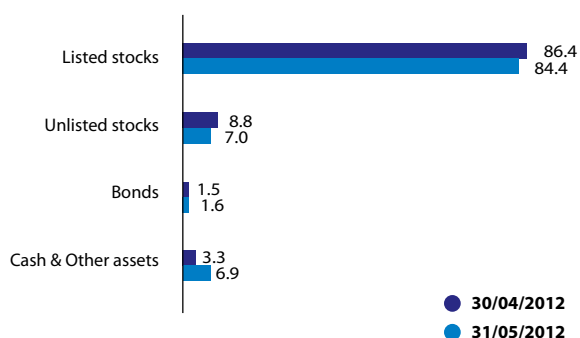
NAV VF1 PERFORMANCE VS. INDEX 24/05/2004=100



NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date (YTD)	YTD annualized
2012	3.6	6.5	1.0	4.6	(5.2)								20.6	56.9
2011	2.2	(10.7)	(1.8)	(5.2)	(10.2)	1.6	(4.7)	4.5	(3.1)	(3.1)	(12.7)	(3.6)	(38.9)	(38.9)
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	56.6
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

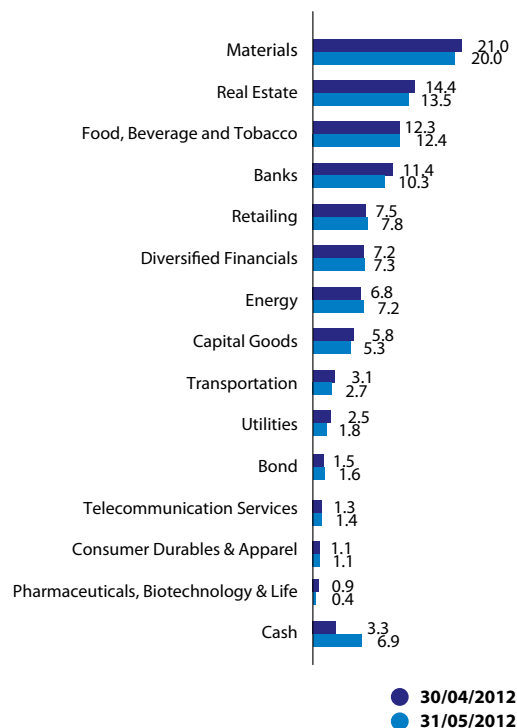
(*) based on weighted issued capital

Asset allocation (%)



Proportion of listed stocks decreased slightly from 86.4% NAV down to 84.4% due to divestments and decline in value of stocks. The divesting activities also lowered the proportion of OTC & Upcom during the month. Consequently, cash holding increased from 3.3% up to 6.9% of NAV.

Investment by industries (%)



VF1's asset allocation by sector showed little change in the ranking compared to last month. In the month, proportion of Banks, Utilities, and Real Estate respectively decreased down to 10.3%, 1.8%, 13.5% due to divestment and stock price' decline. Other sectors showed slight decrease in proportion in NAV due to its market value declined during the month.

In May, VF1's cash holding increased from 3.3% up to 6.9% due to profit taking activities.

As at May 31st 2012, the top 4 industries were Infrastructure & Real Estate, Food, Beverage & Tobacco, Banks and Materials & Resources which comprised 56.2% of VF1's NAV.

VF4

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	12/06/2008
Fund term	10 years
Management Fund	VietFund Management (VFM)
Custodian	HSBC Bank (Vietnam) Ltd., Hochiminh City Branch
Management fee	2%/NAV/year
Custodian fee	0.06%/NAV/year (excluded 10% VAT)
Deposit fee	0.02%/NAV/year (free of VAT)
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.

Top 5 holdings

Ticker	Bourse	% NAV
EIB	HOSE	10.2
DPM	HOSE	10.5
FPT	HOSE	9.9
VNM	HOSE	8.8
VCB	HOSE	6.8z

Fund performance in May 2012

In May, Vietnam stock market was entering the correction period after 4 consecutive months of rallies with 40% gain from the beginning of 2012. As a result, VN-Index and HNX-Index respectively decreased by 9.4% and 7.3% from last month, closed at 429.2 and 74.07. Concurrently, market liquidity was declining toward the end of month as well.

Being negatively impacted by market correction, VF4's NAV reached 6,701VND/unit, slipped 5.3% compared to last month, or lower than market's rate of decline.

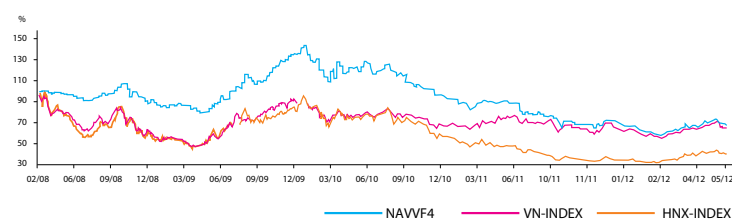
Movement in NAV

	31/05/2012			Performance (%)					
	Fund size (VND bn.)	NAV (VND bn.)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception (28/02/2008)
VF4	806.5	540.4	6,701	(5.3)	5.9	15.4	(2.9)	21.6	(13.0)
VN-Index			429.2	(9.4)	1.3	12.7	1.1	22.1	(37.5)
HNX-Index			74.1	(7.3)	7.8	22.5	1.2	26.1	(68.1)

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

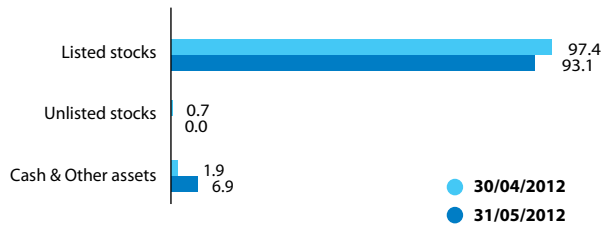
NAV VF4 PERFORMANCE VS. INDICES

28/02/2008=100



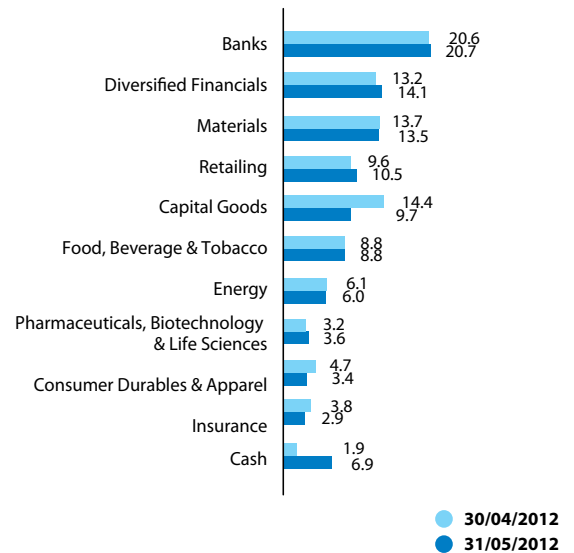
NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date	YTD annualized
2012	6.0	8.3	2.1	9.5	(5.3)								21.6	59.9
2011	1.0	(13.0)	(3.1)	(4.3)	(12.0)	2.4	(0.6)	3.2	(1.5)	(3.2)	(11.7)	(5.1)	(39.9)	(39.9)
2010	(3.1)	1.5	3.1	7.4	(6.4)	(0.8)	(4.1)	(10.3)	(0.9)	(2.2)	(3.3)	4.9	(13.1)	(13.1)
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 (%)



At May 31st 2012, the proportion of listed stocks reached 93.1% and cash holding increased from 1.9% up to 6.9% due to net selling and profit taking activities during the month. The proportion of unlisted stocks declined down to 0% due to the component stock was listed in May.

Investment by industries (%)



In May, asset allocation by sectors showed a slight decrease in accordance with slipped market value, while cash holding increased from a net-sell month.

In hierarchy, Bank's sector still kept it leading proportion in portfolio's asset allocation. Due to divesting plan, proportion of Capital Goods and Consumer & Durables respectively decreased 4.7% and 1.3% in NAV compared to last month.

As at May 31st 2012, VF4's portfolios included 21 stocks in 10 sectors. The top 3 holdings by sectors were:

- + Banks (20.7%)
- + Diversified Finance (14.1%)
- + Materials & Resources (13.5%)

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	02/04/2010
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 fee	0.04%/NAV/year (included 10% VAT)
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 May 2012

In May 2012, Vietnam's stock market corrected as VN-Index went down 9.4% and HNX-Index decreased 7.3%. VFA Fund's NAV reached 7,224.7VND/unit and had a decrease of 4.2% in the same period. Since inception, VFA Fund's NAV decreased 27.8%, which equivalent to fifty percent of the decrease of HNX-Index.

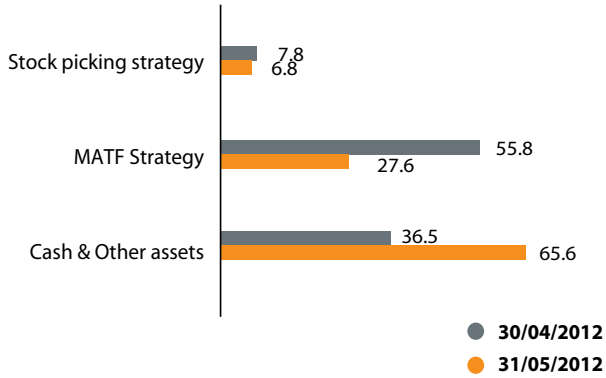
	31/05/2012			Performance (%)					
	Fund size (VND bn.)	NAV (VND bn.)	Unit NAV	1 month	3 month	6 month	9 month	YTD	Since inception (2/4/2010)
VFA	240.4	173.7	7,224.7	(4.2)	(4.8)	(0.1)	(10.8)	1.2	(27.8)
VN-Index			429.2	(9.4)	1.3	12.7	1.1	22.1	(15.9)
HNX-Index			74.1	(7.3)	7.8	22.5	1.2	26.1	(54.9)

NAV VFA PERFORMANCE VS. INDICES

02/04/2010=100

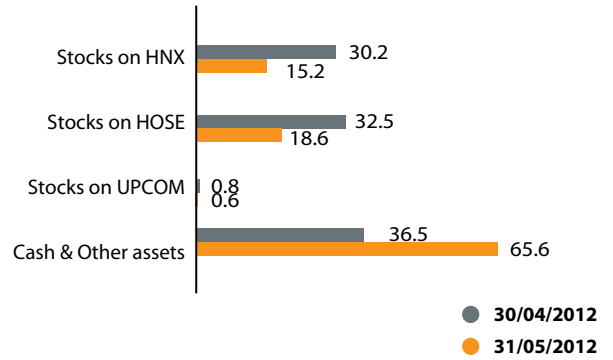


By Strategies



In May 2012, MATF strategy implemented sell signals on stocks on both HOSE and HNX exchange. As a result, MATF's stocks holding decreased from 55.8% NAV to 27.6% NAV. The weight of stock picking proportion decreased from 7.8% NAV to 6.8% NAV mainly because of the price changes of these stocks.

By asset allocation (%)



As the sell proportions of HOSE's stock and MATF's stock were approximately equal, their weights both decreased in May 2012. Consequently, cash holding increased from 36.5% NAV to 65.5% NAV.



VIETFUND MANAGEMENT

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