



VIETFUND
MANAGEMENT

MONTHLY UPDATES | VFM

August 2012

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 August 2012

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 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.

In August, Vietnam stock market observed several events which negatively dragged down stock price. However, toward the end of the month, investor's psychology was calmer and so were the market indices.

During the month, VF1 maintained the prudent opinions and the focused into value investment. As at 31/08/2012, VN-Index closed at 396.0, or down -4.5% compared to July and HNX-Index closed at 61.4, or down -11.2% compared to July. Meanwhile VF1 recorded a decrease in NAV.

As at 31/08/2012, NAV of VF1 reached 15,044 VND/unit, decreased -1.7% compared to July.

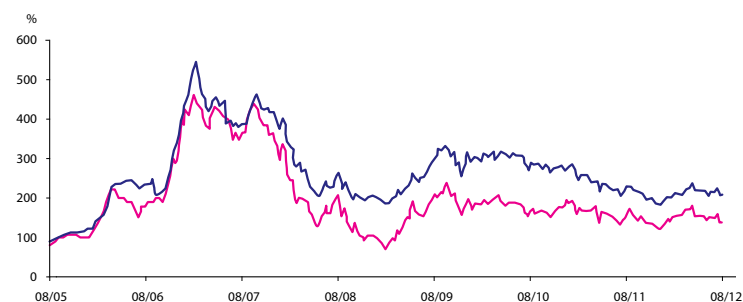
Movement in net asset value (NAV)

	31/08/2012			Performance (%)					
	Fund size (VND bn)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception (20/05/2004)
VF1	1,000.0	1,504.4	15,044	(1.7)	(4.0)	0.2	11.7	15.9	50.44 (*)
VN-Index			396.0	(4.5)	(7.7)	(6.5)	4.0	12.6	51.4
HNX-Index			61.4	(11.2)	(17.1)	(10.6)	1.6	4.6	(38.6)

(*) Excluding dividends

NAV VF1 PERFORMANCE VS. INDEX

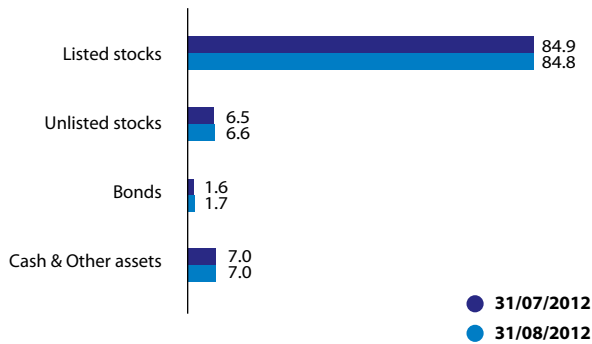
20/05/2004=100



NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date (YTD)	YTD annualized
2012	4.9	10.2	(0.6)	10.7	(5.2)	(0.9)	(1.4)	(1.7)					15.9	24.7
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	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

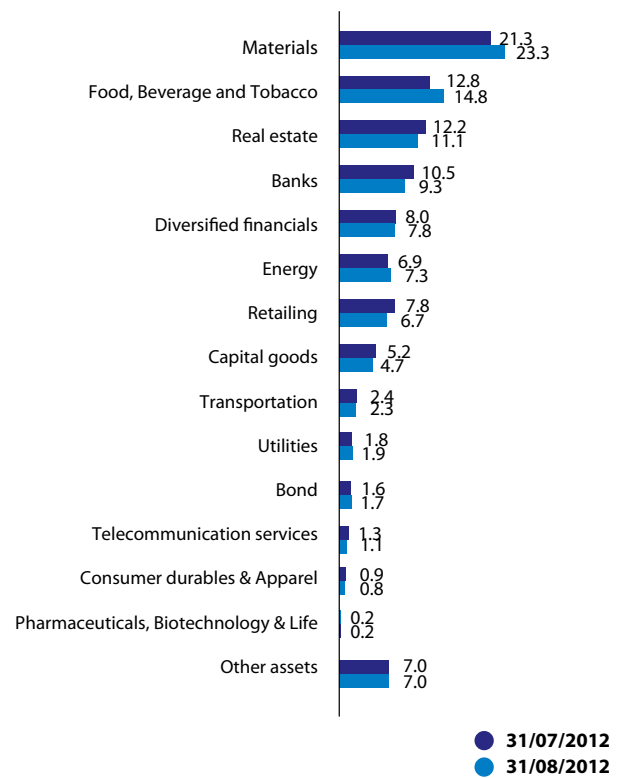
Asset allocation (%)



As at 31/08/2012, VF1's asset allocation was relatively unchanged from last month.

Respectively, proportion of Listed stocks was at 84.8% NAV, proportion of OTC & Upcom maintained at 6.6% NAV, and cash proportion at 31/08/2012 was at 7.0% NAV.

Investment by industries (%)



Compared to July, VF1's ranking in the asset allocation by sector stayed unchanged. Sectors with increased proportion were respectively Food, Beverage & Tobacco, Materials, Energy with the increase of 2%, 1.9%, 0.4% since the above sectors still gained while other stocks declined sharply following the market.

Sectors with decreased proportion were respectively Real Estate, Banks, Retailing, Capital Goods with the decline of -1.2%, -1.1%, -1.1%, -0.5% compared to July.

As at 31/08/2012, VF1's portfolio consisted of 36 stocks in 14 sectors, in which the top 5 holding by sectors were:

- + Materials (23.3%)
- + Food, Beverage & Tobacco (14.8%)
- + Real Estate (11.1%)
- + Banks (9.3%)
- + Diversified Financials (7.8%)

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., Ho Chi Minh 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

Stock	Listing status	% NAV
VNM	HOSE	13.6
DPM	HOSE	13.4
EIB	HOSE	9.6
FPT	HOSE	9.1
MSN	HOSE	6.7

Fund performance in August 2012

In August 2012, the events in Vietnam stock market has altered the increasing trend and caused stock market to decline in the second half of the month. However, investors' psychology was calm toward the last week of the month.

As at 31/08/2012, VN-Index closed at 396.0, or down -4.5% compared to July and HNX-Index closed at 61.4, or down -11.2% compared to July.

Meanwhile VF4 recorded a decrease -3.6% and as at 31/08/2012, NAV of VF4 reached 6,406 VND/unit.

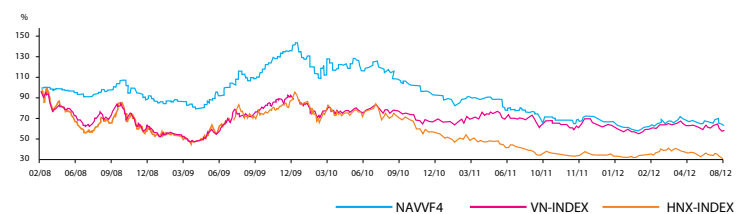
Movement in NAV

	31/08/2012			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	516.7	6.406	(3.6)	(4.4)	1.3	10.3	16.3	(15.9)
VN-Index			396.0	(4.5)	(7.7)	(6.5)	4.0	12.6	(42.3)
HNX-Index			61.4	(11.2)	(17.1)	(10.6)	1.6	4.6	(73.6)

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

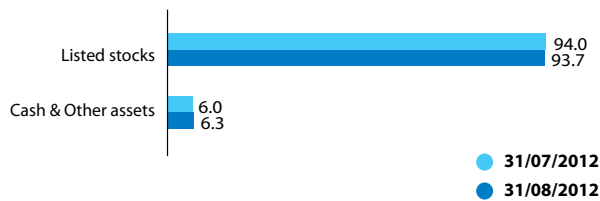
NAV VF4 PERFORMANCE VS. INDICES

28/02/2008=100



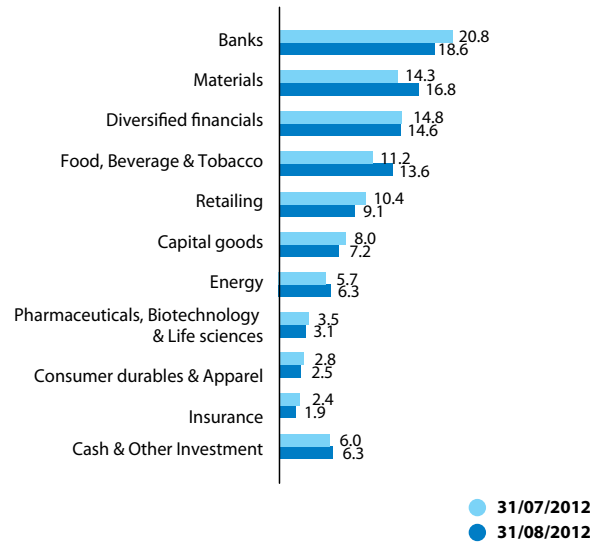
NAV performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-to-date	YTD annualized
2012	6.0	8.3	2.1	9.5	(5.3)	(0.2)	(0.7)	(3.6)					16.3	25.4
2011	1.0	(13.0)	(3.1)	(4.3)	(12.0)	2.4	(0.6)	3.2	(1.5)	(3.2)	(11.7)	5.1	(39.9)	(39.9)
2010	(3.4)	1.6	3.3	8.0	1.4	(0.8)	(4.1)	(9.4)	(10.7)	(2.2)	(3.3)	4.9	(13.1)	(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 (%)



During August, due to a sharp decrease in stock price, proportion of Listed stocks decreased from 94.0% NAV at 31/07/2012 down 93.7% NAV at 31/08/2012 and cash proportion increased from 6.02% NAV at 31/07/2012 up 6.34% NAV at 31/08/2012.

Investment by industries (%)



Banking sector's stocks were hit hardest and its proportion declined significantly during the month.

On the other hand, sector of Materials and Food & Beverage still maintained the growth which helped their proportion to decline slightly during the month.

As at 31-08-2012, VF4's portfolio consisted of 24 stocks in 10 sectors, in which the top 5 holding by sectors were:

- + Banks (18.6%)
- + Materials (16.8%)
- + Diversified Financials (14.6%)
- + Food, Beverage & Tobacco (13.6%)
- + Retailing (9.1%)

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.

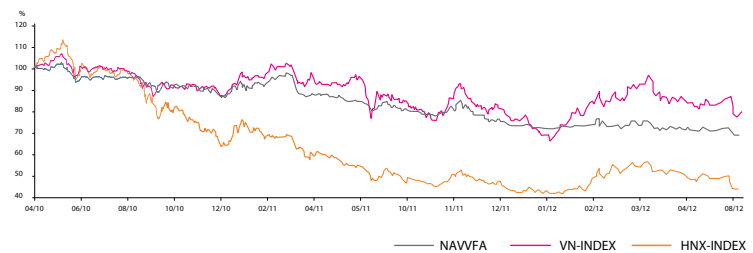
Fund performance in August 2012

Vietnamese stock market continued to go down as VN-Index and HNX-Index decreased 4.5% and 11.2% respectively in July 2012. In the same period, VFA's NAV reached 6,913.0 dong/unit and had a decrease of 2.5% NAV. Since inception, VFA's NAV decreased 30.9%, which is equivalent to half of the drop of HNX-Index.

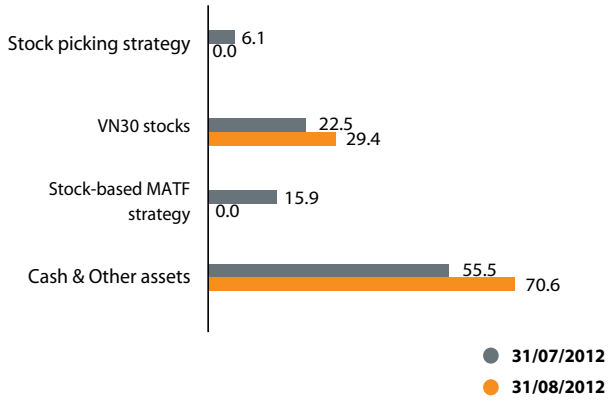
	31/08/2012			Performance (%)					
	Fund size (VND bn.)	NAV (VND bn.)	Unit NAV	1 month	3 month	6 month	9 month	YTD	Since inception (2/4/2010)
VFA	240.4	166.2	6.913.0	(2.5)	(4.3)	(8.9)	(4.4)	(3.2)	(30.9)
VN-Index			396.02	(4.5)	(7.7)	(6.5)	4.0	12.6	(22.4)
HNX-Index			61.4	(11.2)	(17.1)	(10.6)	1.6	4.6	(62.6)

NAV VFA PERFORMANCE VS. INDICES

02/04/2010=100



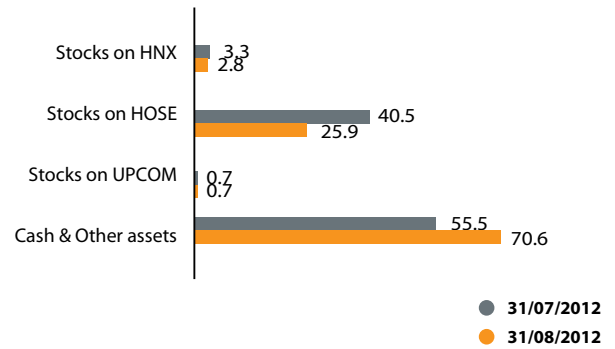
By Strategies



In August 2012, stock-based MATF strategy implemented sell signals and decreased stock-holding of the strategy to 0.0% NAV. In the other hand, stocks from stock picking strategy were being restructured and changed into VN30 stocks holding. Consequently, VN30 stocks holding increased from 22.5% NAV to 29.4% NAV.

As a result of the sell signals from stock-based MATF strategy, cash proportion increased from 55.5% NAV to 70.6% NAV.

By asset allocation (%)



Since VFA made net divestment in August 2012, HOSE's stocks' weight decreased from 40.5% NAV to 25.9% NAV and HNX' stocks' weight also decreased from 3.3% NAV to 2.8% NAV.



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