



VIETFUND
MANAGEMENT

MONTHLY UPDATE

April/ 2013

VFM

VIETFUND MANAGEMENT (VFM)

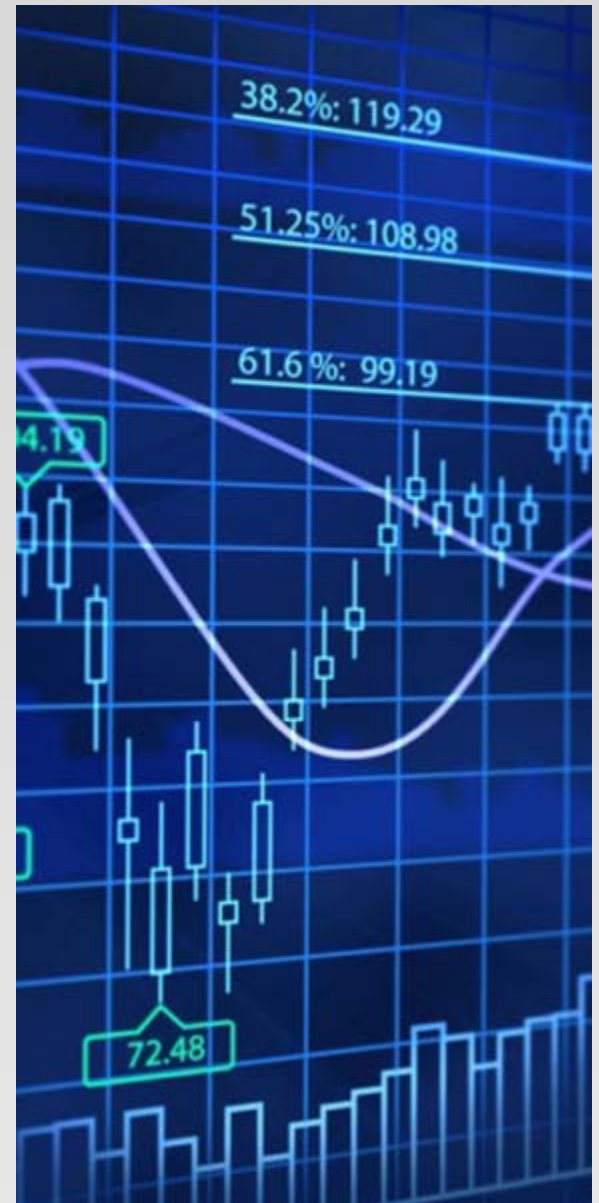
VietFund Management (VFM) is the first local fund management company in Vietnam. With initial raised capital of VND 300 billion for VF1 in 2004, the total asset under VFM's management at present has reached nearly USD 200 million which are from times of new product launching and successful fund raising.

VFM proud to have expertise and experience management team having capacity of planning investment solutions in the field of asset management. With the extensive know-how of our expert will maintain a close watch on market volatility as well as actively adjust the composition of the investment portfolios to develop the appropriate investment strategies that suit the client's most investment target.

Products which is established and managed by VFM, including:

- Vietnam Securities Investment Fund (VF1)
- Vietnam Growth Investment Fund (VF2)
- Vietnam Blue-chips Investment Fund (VF4)
- Vietnam Active Investment Fund (VFA)

In line with investment trend in the world, VFM has been endeavored in financial product researching and developing as open-ended fund, index fund, pension fund, etc. and services applying new updated legal framework and becoming efficient investment tools in unattainable time.



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VF1

Fund performance in May 2013

In May 2013, with the approval on Vietnam Asset Management Company (VAMC)'s establishment and macro indicators' positive movements, Vietnam stock market increased strongly in which VN-Index increased 9.2% month-on-month, showing the second-best performing month in 2013, while HNX-Index showed 10.7% increase. Market turnover showed a 35% increase from last month due to the improving investors' participants into market activities after a quiet period of observing.

As at 31/5/2013, VN-Index and HNX-Index respectively showed 518.39 points and 64.62 points, increased 9.2% and 10.7% compared to the month of April. NAV of VF1 reached 18672.6 VND/fund unit, up 9.4% m-o-m.

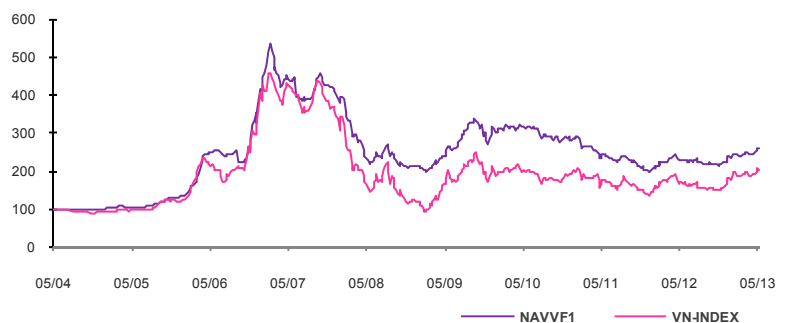
Movement in net asset value

	31/5/2013			Performance (%)					
	Fund size (VND bn)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception (20/5/2004)
VFMVF1	10,000	1,867.3	18,673	9.4	12.4	30.2	24.1	22.8	86.7*
VN-Index			518.39	9.2	9.2	37.2	30.9	25.3	98.2
HNX-Index			64.62	10.7	3.3	26.6	5.2	13.2	(35.4)

(* Excluding dividends)

NAV VF1 PERFORMANCE VS INDEX

20/05/2004 = 100



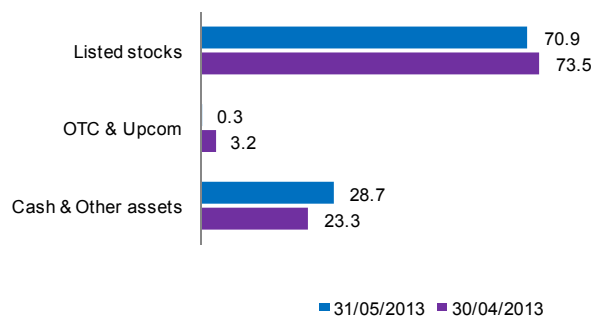
NAV Perfor-	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD annualized
2013	11.6	(2.0)	4.4	(1.6)	9.4								22.8	63.8
2012	4.9	10.2	(0.6)	10.7	(5.2)	(0.9)	(1.4)	(1.7)	(3.4)	0.7	(2.0)	6.0	17.1	17.1
2011	2.2	(10.7)	(1.8)	(5.2)	(10.2)	1.6	(4.7)	4.5	(3.1)	(3.1)	(12.7)	(3.6)	(38.9)	(38.9)
2010	(0.8)	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

Fund name	Quỹ Đầu tư Chứng khoán Việt Nam (VF1)
English name	Viet Nam Securities Investment Fund
Trading code	VFMVF1
Fund Type	Closed-end public fund
Current chartered capital	1,000,000,000 VND
Outstanding fund unit	100,000,000 fund units
Inception date	20/05/2004
Listing date	08/11/2004
Fund term	10 years
Fund Management	VietFund Management (VFM)
Custodian Bank	Joint Stock Commercial Bank for Foreign trade of Vietnam (Vietcombank)
Management fee	2%/NAV/year
Deposit fee	0.06%/NAV/year (free of VAT)
Custodian fee	0.02%/NAV/year (excluded 10% VAT)
Dividend	By annual, base 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

Top 5 holdings

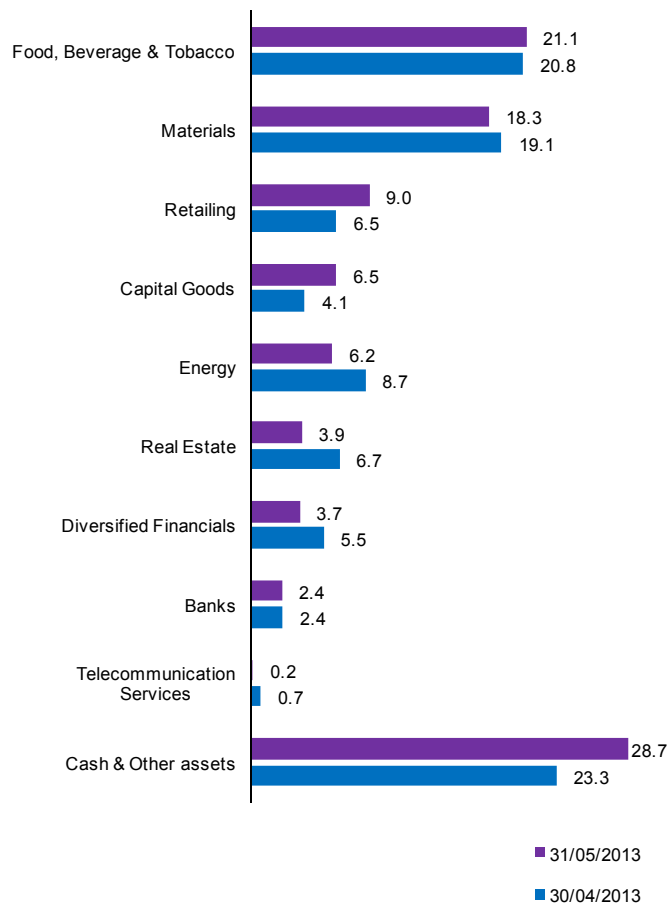
Stocks	Market	% NAV
VNM	HOSE	19.0
DPM	HOSE	12.9
FPT	HOSE	9.0
REE	HOSE	6.0
GAS	HOSE	3.4

Asset allocation (%)



In May, VF1 has been active in divesting proportion of unlisted stocks and having this proportion reduced down to 0.3% NAV at 31/5/2013. Meanwhile, VF1 also divested a small proportion of listed shares and reduced it from 73.5% NAV at 30/04/2013 down to 70.9% NAV at 31/05/2013, cash holding therefore increased up to 28.7% NAV at 31/05/2013.

Investment by industries (%)



On asset allocation by sectors, VF1 has been reduced proportion of Real estate, Energy, Diversified Financials (totaling up to 70% of May's total divestments) to profit-realizing and portfolio's liquidity improving. As the result, proportion of those sectors respectively decreased down to 3.9% NAV, 6.2%NAV, and 3.7%NAV. On the other hand, VF1 also invested a small amount into sector of Food, Beverages & Tobacco and increased its proportion from 20.8% NAV up to 21.1% NAV.

As at 31/05/2013, VF1's portfolio consisted of 20 stocks in 9 sectors, in which the top 5 holding by sectors were:

- Food, Beverage & Tobacco (21.1% NAV)
- Materials (18.3% NAV)
- Retailing (9% NAV)
- Capital Goods (6.5% NAV)
- Energy (6.2% NAV)

VF4

Fund performance in May 2013

Stock market's turnover and value surged significantly during May resulting from the positive cash-inflows following the supporting news of the housing stimulus package of 30 trillion VND, the approval of VAMC establishment, and positive macro statistics. As at 31/05/2013, VN-Index and HNX-Index respectively closed at 518.39 points and 64.62 points, up 9.2% and 10.7% from the month of April.

Meanwhile, NAV of VF4 closed at 8,344.1 VN/ fund units, up 11.6% month-on-month.

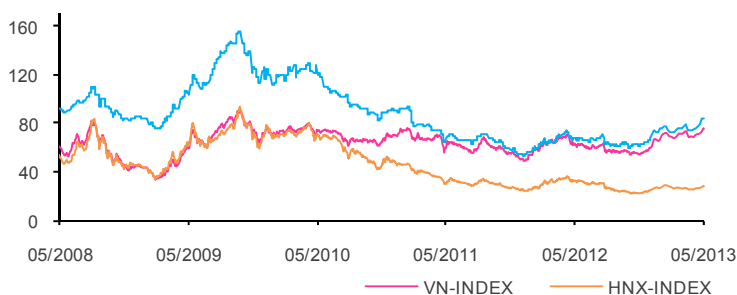
Movement in net asset value

	31/5/2013			Performance (%)					
	Fund size (VND bn)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception (27/2/2008)
VF4	806,5	672.9	8,344	11.6	13.6	35.8	30.2	26.0	3.4 *
VN-Index			518.39	9.2	9.2	37.2	30.9	25.3	(24.5)
HNX-Index			64.62	10.7	3.3	26.6	5.2	13.2	(72.2)

(*) Including dividends

NAV VF4 PERFORMANCE VS INDEX

28/02/2008 = 100



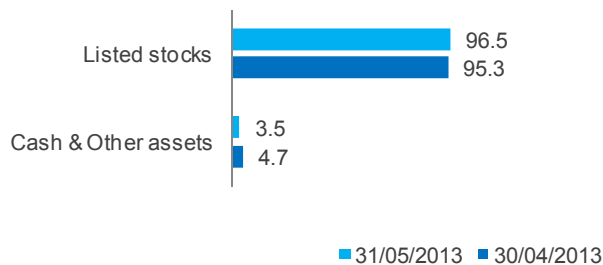
NAV Perfor-	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD annualized
2013	15.1	(3.7)	4.2	(2.3)	11.6								26.0	74.2
2012	6.0	8.3	2.1	9.5	(5.3)	(0.2)	(0.7)	(3.6)	(3.7)	1.1	(1.5)	7.7	20.2	20.2
2011	1.0	(13.0)	(3.1)	(4.3)	(12.0)	2.4	(0.6)	3.2	(1.5)	(3.2)	(11.7)	5.1	(39.9)	(39.9)
2010	(3.4)	1.6	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)

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 unit
Inception date	28/02/2008
Listing date	12/06/2008
Fund term	10 years
Fund Management	VietFund Management (VFM)
Custodian Bank	HSBC Bank (Vietnam) Ltd., - Hochiminh City Branch
Management fee	2%/NAV/year
Deposit fee	0.02%/NAV/year (free of VAT)
Custodian fee	0.06%/NAV/year (excluded 10% VAT)
Dividend	By annual, based on realized return and approved by Annual Meeting of Investors.

Top 5 holdings

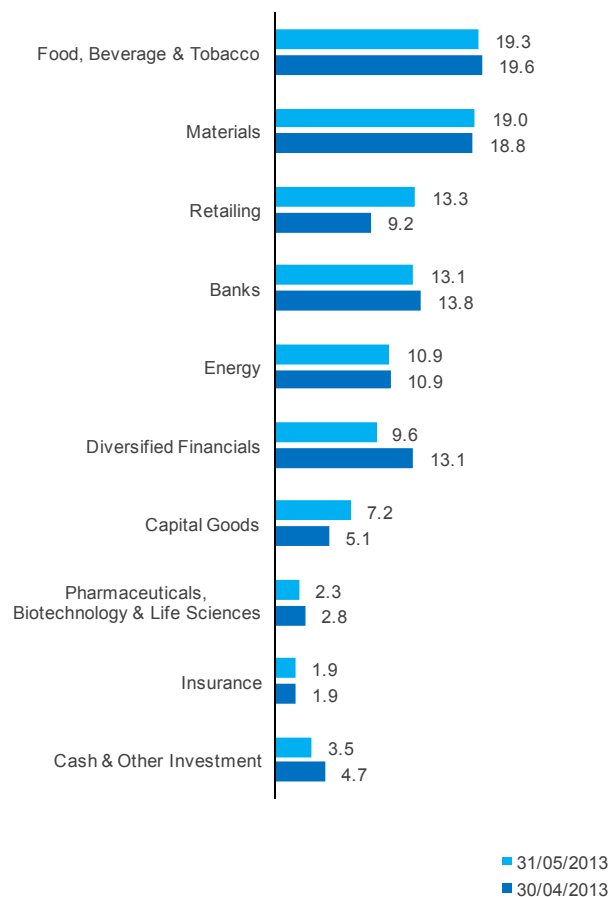
Stocks	Market	% NAV
VNM	HOSE	19.3
DPM	HOSE	14.0
FPT	HOSE	13.3
REE	HOSE	7.2
GAS	HOSE	6.1

Asset allocation (%)



During May, proportion of listed stocks up slightly to 96.5% NAV while cash holding declined down to 3.5% NAV due to VF4's net buy activities.

Investment by industries (%)



In May, VF4's investments focused on sector of Retailing and Capital Goods and shifted their holding up respectively to 13.3% NAV and 7.2% NAV. Also to reduce risk, VF4 divested component stocks in Diversified Financials sector and has it declined down to 9.6% NAV, being out of fund top 5 holding.

As at 31/05/2013, VF4's portfolio consisted of 15 stocks in 9 sectors, in which the top 5 holding by sectors were:

- Food, Beverage & Tobacco (19.3% NAV)
- Materials (19% NAV)
- Retailing (13.3% NAV)
- Banks (13.1% NAV)
- Energy (10.9% NAV)

VFA

Fund performance in May 2013

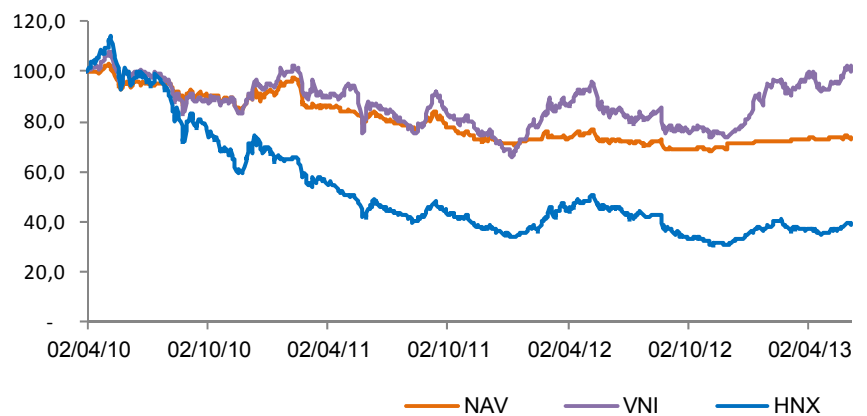
VFMVFA fund restarted to operate after AGM held in 2013, April 24. After almost 5 months of operation halt and with 100% cash holding, VFMVFA fund implemented buy signal when the stock market continued its uptrend in 2013.

Movement in net asset value

	31/5/2013			Tăng trưởng (%)					
	Fund size (VND)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception (27/2/20)
VFMVFA	18,313,236.74	135.3	7,386	0,9	0,9	3,9	6,8	3,1	(26,1)
VN-Index			518,4	9,2	4,9	37,2	30,9	25,4	1,5
HNX-Index			64,6	10,7	4,9	26,5	5,2	13,2	60,6)

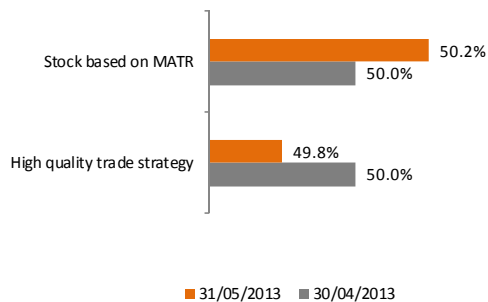
NAV VF4 PERFORMANCE VS INDEX

02/04/2010 = 100

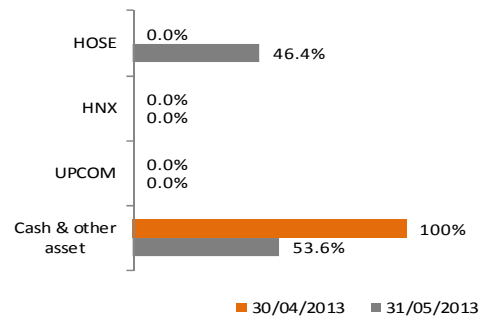


Fund name	VIETNAM ACTIVE FUND (VFA)
Abbreviation	VFA
Fund term	Public open-end fund
Initial capital mobilization	240,437,600,000 VND
Par value	10,000/fund unit
Term of the Fund	Unlimited
Inception date	02 April 2010
Custodian Bank	HSBC Bank (Vietnam) Ltd.
Auditor	KPMG Co., Ltd.
Law advisory firm	Vietnam International Law Firm
Dividend	Distribute at least 50% of its realized profit to investors every year
Fund fee	- Management fee: 2%/NAV/year - Supervising fee: 0.02%/NAV/year - Custody fee: 0.06%/NAV/year - Other

Asset allocation (%)



Investment by industries (%)



With the approval from Investment Committee, besides stock-based MATF (Model-Averaging-trend following) strategy, VFMVFA fund also started using HQT (High-quality-trade) strategy. Compared with stock-based MATF strategy, HQT strategy eliminates low-success-probability buy signals and enters/ exits the trend earlier. As a result, HQT have higher win/loss ratio and lower transaction cost because of less trade. However, the probability of missing profitable trade also increases.

HQT is applied on low-volatility stocks while stock-based MATF have buy/sell signals on different groups of high-volatility stocks. All stocks are scan for liquidity before researching and analyzing on both strategies.

With the correlation between stock-based MATF and HQT strategy around 0.5-0.6 and the similar expected Sharpe ratio of the 2 strategies, the combination of both strategies is expected to add value for VFMVFA fund in the long term.

In May 2013, stock-based MATF had buy signal while HQT strategy do not generate buy signal. Consequently, HOSE' stocks' weight increased to 46.4% NAV from 0% in previous month.

DISCLAIMER

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