



VIETFUND
MANAGEMENT

MONTHLY UPDATE

July/ 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 (VFMVFA)
- Vietnam Bond Fund (VFMVFB)

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 July 2013

In July, VF1 reduced the proportion of listed stocks and increased cash holding up to 39.9% NAV in accordance with the conversion plan. Also, VF1's NAV increased 2.4% with the major contribution from portion of Food, Beverage & Tobacco, Energy, and Retailing sectors.

As at 31/07/2013, VN-Index closed at 491.85, up 2.2% while HNX-Index closed at 61.49, down 1.8% compared to last month. Meanwhile, NAV of VF1 was at VND 18,218/unit, increased 2.4% compared to 30/06/2013.

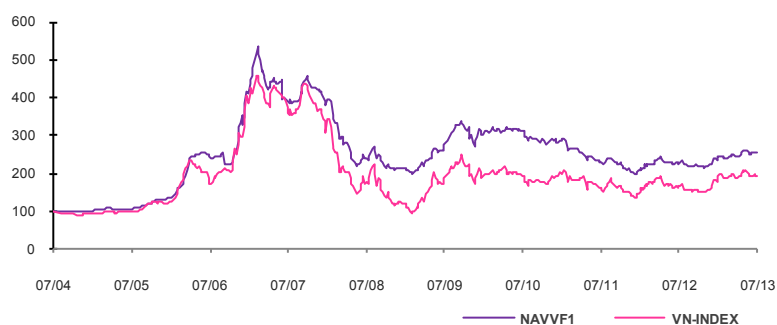
Movement in net asset value

	31/7/2013			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	1,821.8	18,218	2.4	6.7	7.4	24.5	19.9	82.2 *
VN-Index			491.9	2.2	3.7	2.5	26.6	18.9	88.0
HNX-Index			61.5	(1.8)	5.4	(1.8)	16.0	7.7	(38.5)

(* Excluding dividends)

NAV VF1 PERFORMANCE VS INDEX

20/05/2004 = 100



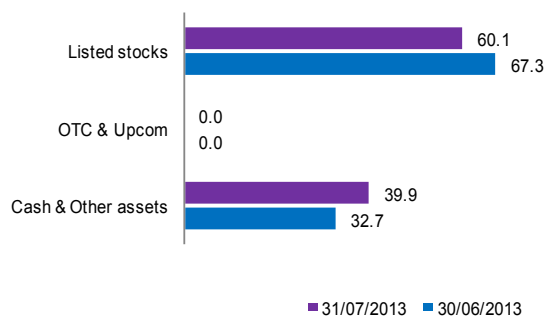
NAV Performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD annualized
2013	11.6	(2.0)	4.4	(1.6)	9.4	(4.7)	2.4						19.9	36.4
2012	4.9	10.2	(0.6)	10.7	(5.2)	(0.9)	(1.4)	(1.7)	(3.4)	0.7	(2.0)	6.0	17.1	17.1
2011	2.2	(10.7)	(1.8)	(5.2)	(10.2)	1.6	(4.7)	4.5	(3.1)	(3.1)	(12.7)	(3.6)	(38.9)	(38.9)
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

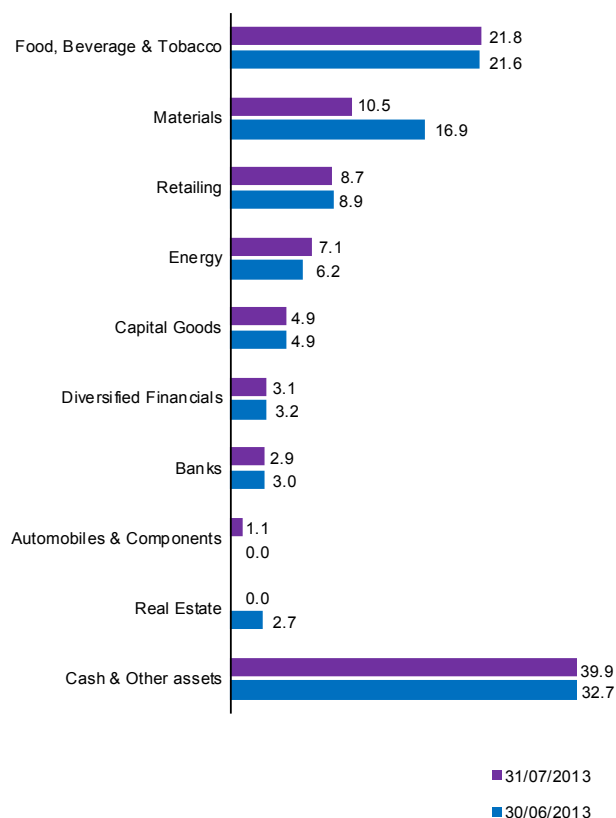
Stocks	Market	% NAV
VNM	HOSE	19.9
FPT	HOSE	8.7
DPM	HOSE	6.0
REE	HOSE	4.9
GAS	HOSE	4.2

Asset allocation (%)



In July, VF1 reduced proportion of listed stocks from 67.3% NAV at 30/06/2013 down to 60.1% NAV at 31/07/2013, while cash holding increased up to 39.9% NAV at the end of month.

Investment by industries (%)



During the month, VF1 divested the investments in Real estate sector and reduced proportion of Materials down to 10.5% NAV. In addition, VF1 invested into stocks of Automobiles & Components sector and had it proportion up to 1.1% NAV at the end of month.

As at 31/07/2013, VF1's portfolio consisted of 14 stocks in 8 sectors, in which the top 5 holding by sectors were:

- Food, Beverage & Tobacco (21.8% NAV)
- Materials (10.5% NAV)
- Retailing (8.7% NAV)
- Energy (7.1% NAV)
- Capital Goods (4.9% NAV)

VF4

Fund performance in July 2013

During July, Vietnam stock market observed a quiet month with turnover value and volume being declined by 20% compared to the month of June. Meanwhile, with positive price movements of VNM, FPT, GAS in top 5 holding, NAV of VF4 yielded a 2.8% return and outperformed VN-Index and HNX-Index's month-on-month performance.

As at 31/07/2013, VN-Index closed at 491.85, up 2.2% while HNX-Index closed at 61.49, down 1.8% compared to last month. Meanwhile, NAV of VF4 was at VND 8,007/unit, increased 2.8% compared to 30/06/2013.

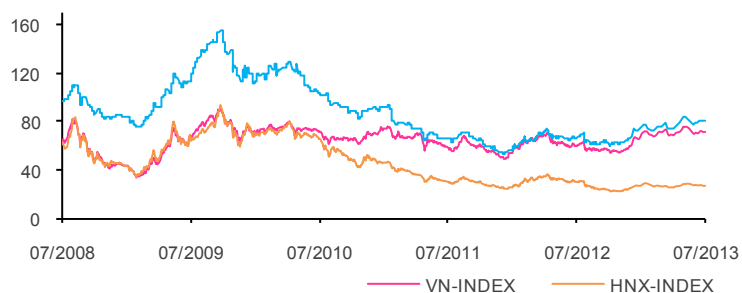
Movement in net asset value

	31/7/2013			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	645.7	8,007	2.8	7.1	5.1	28.4	20.9	0.1*
VN-Index			491.9	2.2	3.7	2.5	26.6	18.9	(28.4)
HNX-Index			61.5	(1.8)	5.4	(1.8)	16.0	7.7	(73.5)

(* Including dividends)

NAV VF4 PERFORMANCE VS INDEX

28/02/2008 = 100



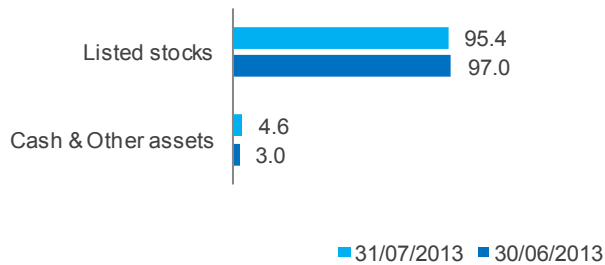
NAV Perfor-	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD annualized
2013	15.1	(3.7)	4.2	(2.3)	11.6	(6.7)	2.8						20.9	38.5
2012	6.0	8.3	2.1	9.5	(5.3)	(0.2)	(0.7)	(3.6)	(3.7)	1.1	(1.5)	7.7	20.2	20.2
2011	1.0	(13.0)	(3.1)	(4.3)	(12.0)	2.4	(0.6)	3.2	(1.5)	(3.2)	(11.7)	5.1	(39.9)	(39.9)
2010	(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

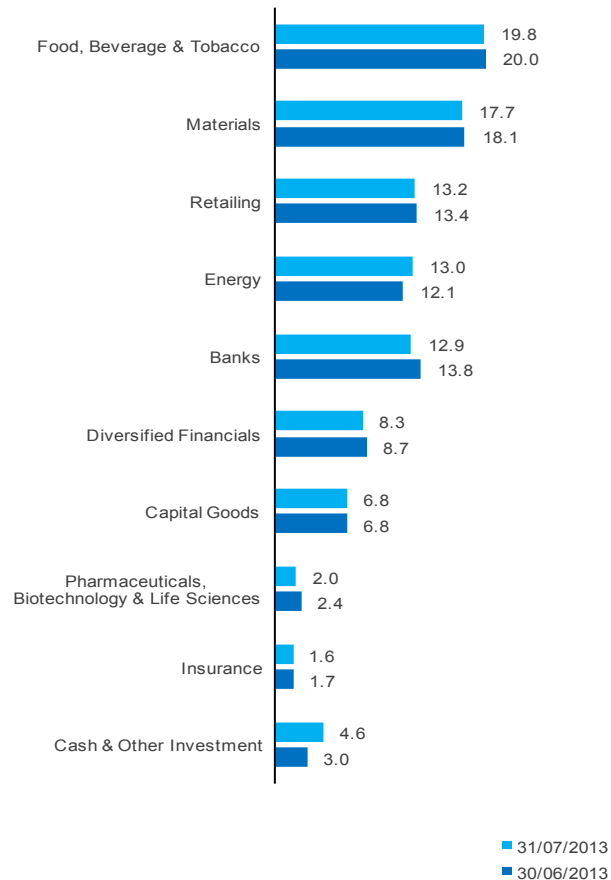
Stocks	Market	% NAV
VNM	HOSE	19.8
FPT	HOSE	13.2
DPM	HOSE	12.6
GAS	HOSE	8.0
REE	HOSE	6.8

Asset allocation (%)



Proportion of listed stock decreased slightly down to 95.4% NAV due to net selling activities.

Investment by industries (%)



In July, proportion of Energy sector reached 13% NAV thanks to the strong surge in market value of Energy's stocks. On the contrary, the decline in Banks' stock price had the proportion of Banks sector reduced down to 12.9% NAV at 31/07/2013.

As at 31/07/2013, VF4's portfolio consisted of 15 stocks in 9 sectors, in which the top 5 holding by sectors were:

- Food, Beverage & Tobacco (19.8% NAV)
- Materials (17.7% NAV)
- Retailing (13.2% NAV)
- Energy (13% NAV)
- Banks (12.9% NAV)

VFA

Fund performance in July 2013

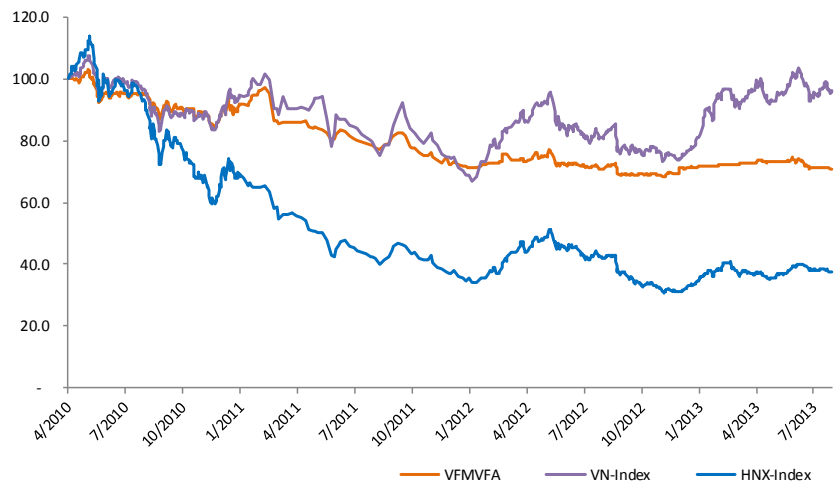
In July 2013, Vietnam stock market continued to fluctuate in opposite directions as VN-Index increased 10.72 points equivalent to 2.2% and HNX-Index dropped 1.1 points equivalent to -1.8%. At July 31st, 2013 VFMVFA's NAV was at VND 7,087.2 per unit, declined VND 32.67 and equivalent to -0.5%.

Movement in net asset value

	31/7/2013			Tăng trưởng (%)					
	Total fund certificates	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception 2/4/2010
VFMVFA	17,922,441.6	127.0	7,087.2	(0.5)	(3.2)	(1.7)	2.7	(1.1)	(29.1)
VN-Index			491.9	2.2	3.7	2.5	26.6	18.9	(3.6)
HNX-Index			61.5	(1.8)	5.4	(1.8)	16.0	7.7	(62.5)

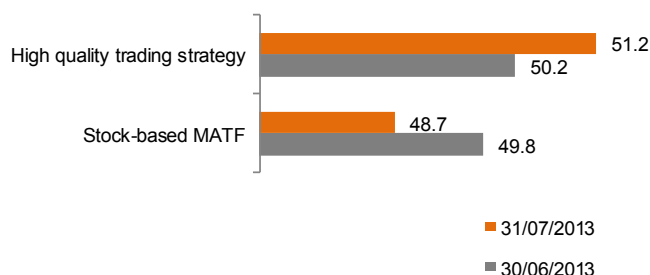
NAV VFMVFA vs Index

02/04/2010 = 100



Fund name	VIETNAM ACTIVE FUND (VFA)
Abbreviation	VFA
Fund term	Public open-ended 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	<ul style="list-style-type: none"> - Management fee: 2%/NAV/year - Supervising fee: 0.02%/NAV/year - Custody fee: 0.06%/NAV/year - Other

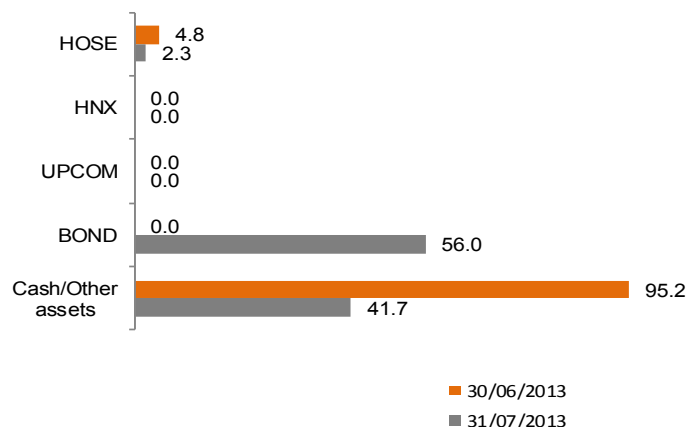
Asset allocation (%)



In July 2013, the statistical results of the model indicated that the strategies have high probability occur false signals, so High Quality Trading (HQT) strategy had no buy/sell signal and Moving Average Trend Following (MATF) strategy reduced the trading size of the buy/sell signals. Therefore, the buy/sell amounts in July 2013 were very low.

At July 31, 2013, the strategy proportions did not change much as MATF reduced the proportion from 49.8% to 48.7% and HQT raised the proportion from 50.2% to 51.2%. The main reason was the relative fluctuation of the assets in the fund's portfolio.

Investment by industries (%)



In July 2013, MATF had a small divestment on HOSE stocks, so the proportion on HOSE stocks in the portfolio decreased to 2.3%. These HOSE stocks had different movement with the market, in other words, they had low correlation with the market. These stocks focused on Food and Beverage industry and Manufacturing industry.

At the same time, VFMVFA also invested in risk-free assets or low-risk government bonds with short and medium term, this leads to the proportion of bonds in the portfolio increased to 56.0%. The purchase of government bonds to ensure that cash and bank deposits do not exceed 49% of the investment according to the open-ended fund regulation. The purchase of government bonds caused the cash proportion to decline from 95.2% to 41.7% of NAV.

DISCLAIMER

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