



VIETFUND
MANAGEMENT

MONTHLY UPDATE

August/ 2013

VFM

VIETFUND MANAGEMENT (VFM)

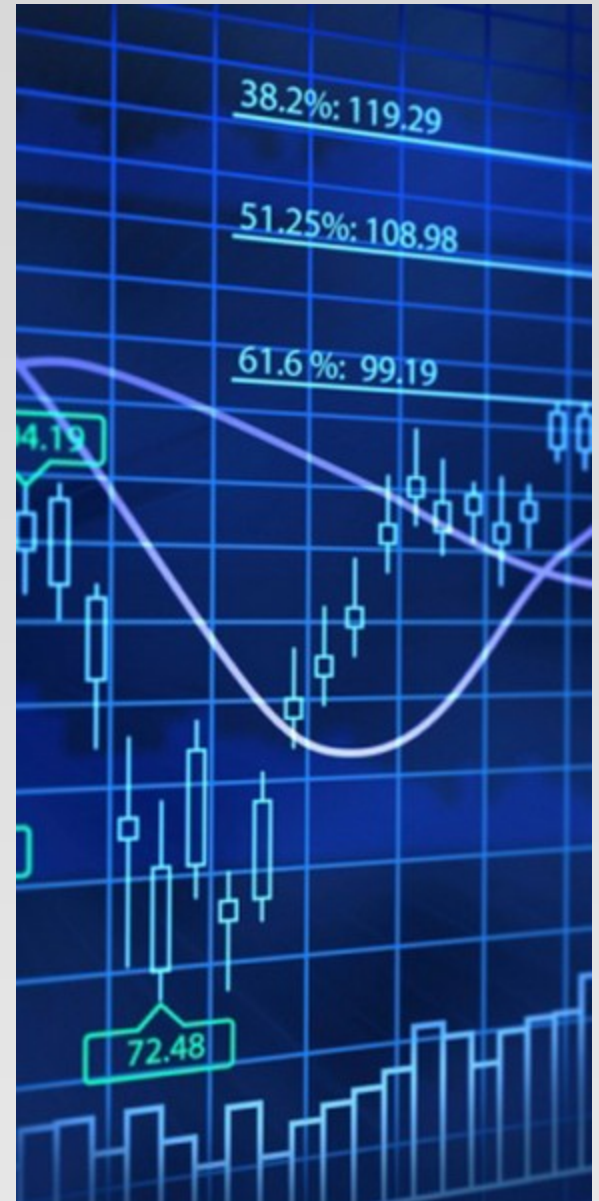
VietFund Management (VFM) is the first local fund management company in Vietnam. With initial raised capital of VND 300 billion for VF1 in 2004, the total asset under VFM's management at present has reached nearly USD 200 million which are from times of new product launching and successful fund raising.

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 Fund (VF4)
- Vietnam Active Fund (VFMVFA)
- Vietnam Bond Fund (VFMVFA)

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 August 2013

Complying with The Extraordinary General Meeting's resolution regarding conversion to open-ended fund, VF1's investment activities were halted from 31/07/2013. Thus, August's NAV movement of VF1 was majorly attributed to both interest received and remaining stocks' volatility.

Thanks to the effectiveness of fund managers on portfolio construction, as at 31/08/2013 NAV of VF1 reached 18,052 VND/unit, decreased 0.9% compared to July, while VN-Index and HNX-Index respectively slid 3.9% and 0.5% down to 472.7 and 61.2 points in the month. On the year to date basis, VF1's NAV per unit increased 18.8% and outperformed VN-Index growth of 14.3% and HNX-Index growth of 7.2%, or by 4.5% and 11.6%.

Movement in net asset value

	31/08/2013			Performance (%)					Since inception (20/5/2004)
	Fund size (VND bn)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	
VFMVF1	10,000	1,805.2	18,052	(0.9)	(3.3)	8.6	25.8	18.8	80.5*
VN-Index			472.7	(3.9)	(8.8)	(0.4)	25.1	14.3	80.7
HNX-Index			61.2	(0.5)	(5.3)	(2.2)	19.9	7.2	(38.8)

(* Excluding dividends)

NAV VF1 PERFORMANCE VS INDEX

20/05/2004 = 100



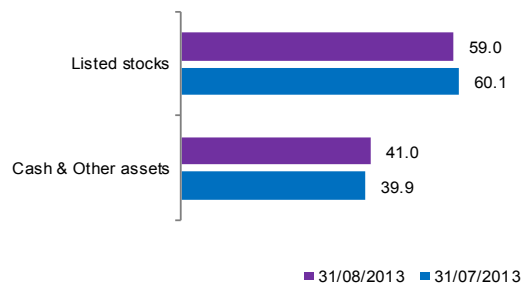
NAV Performance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD annualized
2013	11.6	(2.0)	4.4	(1.6)	9.4	(4.7)	2.4						18.8	29.4
2012	4.9	10.2	(0.6)	10.7	(5.2)	(0.9)	(1.4)	(1.7)	(3.4)	0.7	(2.0)	6.0	17.1	17.1
2011	2.2	(10.7)	(1.8)	(5.2)	(10.2)	1.6	(4.7)	4.5	(3.1)	(3.1)	(12.7)	(3.6)	(38.9)	(38.9)
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

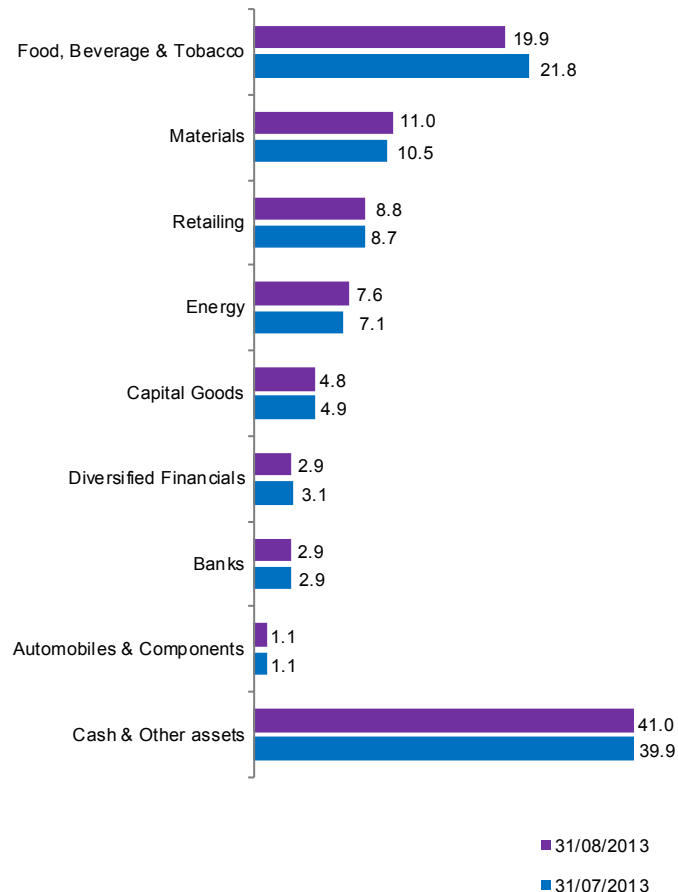
Stocks	Market	% NAV
VNM	HOSE	18.0
FPT	HOSE	8.8
DPM	HOSE	6.2
REE	HOSE	4.8
GAS	HOSE	4.1

Asset allocation (%)



Due to proportion of listed stocks' price movement, VF1's cash holding increased to 41% NAV at as 31/08/2013 from 39,9% NAV at 31/07/2013.

Investment by industries (%)



During August, proportion of Food, Beverage & Tobacco declined to 19.9% NAV from 21.8% NAV at 31/07/2013 due majorly to the eroded market price of investment in VNM stock. Meanwhile, proportion of other sectors stayed relatively unchanged from July.

As at 31/08/2013, VF1's portfolio consisted of 14 stocks in 8 sectors, in which the top 5 holding by sectors were:

- Food, Beverage & Tobacco (19.9% NAV)
- Materials (11% NAV)
- Retailing (8.8% NAV)
- Energy (7.6% NAV)
- Capital Goods (4.8% NAV)

VF4

Fund performance in August 2013

During the second half of August, the gloomy Asian economies causing foreign investors' redemption action has hit Vietnam stock market hard. Inevitably, VF4's portfolio declined along with the top 5 holding's decreased market value like VNM, GAS, REE.

As at 31/08/2013, VN-Index closed at 472.7, or down 3.9% and HNX-Index closed at 61.19, or down 0.5% from last month. Meanwhile, NAV of VF4 reached 7,900 VND/unit, decreased 1.3% compared to July 2013.

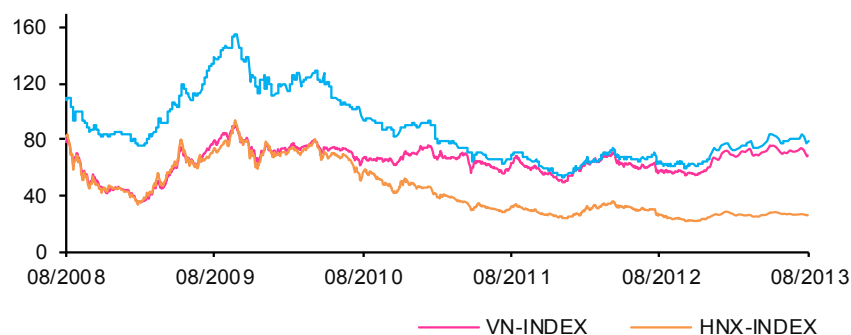
Movement in net asset value

	31/8/2013			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	637.1	7,900	(1.3)	(5.3)	7.6	28.6	19.3	(1.0) *
VN-Index			472.7	(3.9)	(8.8)	(0.4)	25.1	14.3	(31.1)
HNX-Index			61.2	(0.5)	(5.3)	(2.2)	19.9	7.2	(73.7)

(*) Including dividends

NAV VF4 PERFORMANCE VS INDEX

28/02/2008 = 100



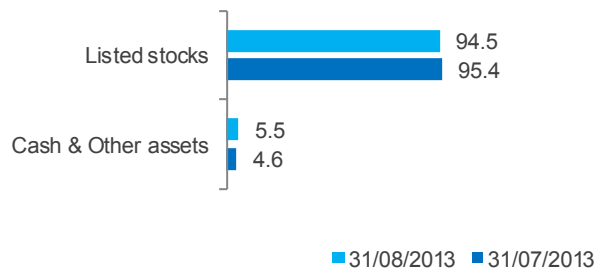
NAV Perfor-	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD annualized
2013	15.1	(3.7)	4.2	(2.3)	11.6	(6.7)	2.8	(1.3)					19.3	30.3
2012	6.0	8.3	2.1	9.5	(5.3)	(0.2)	(0.7)	(3.6)	(3.7)	1.1	(1.5)	7.7	20.2	20.2
2011	1.0	(13.0)	(3.1)	(4.3)	(12.0)	2.4	(0.6)	3.2	(1.5)	(3.2)	(11.7)	5.1	(39.9)	(39.9)
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

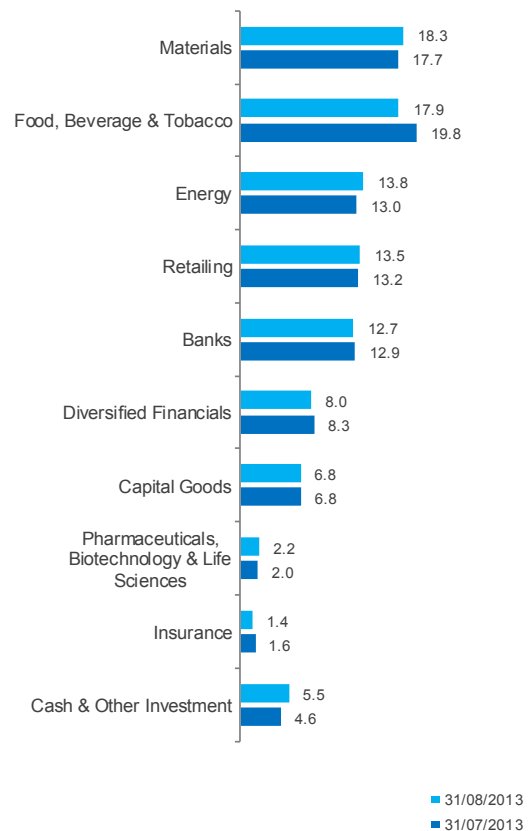
Stocks	Market	% NAV
VNM	HOSE	17.9
FPT	HOSE	13.5
DPM	HOSE	13.0
GAS	HOSE	8.0
REE	HOSE	6.8

Asset allocation (%)



During August, proportion of Listed stocks decreased from 95.4% NAV as at 31/07/2013 down to 94.5% NAV as at 31/08/2013 for its component stocks' plummeted price. At the same time, cash holding increased from 4.6% NAV as at 31/07/2013 up to 5.5 % NAV as at 31/08/2013.

Investment by industries (%)



Ranking of proportion of Food, Beverage & Tobacco in August dropped to the second rank after sector of Materials due to the market value being decreased more than other sectors. Meanwhile, sector of Energy has its component stock prices increased substantially in the month and being opposite with market decreasing trend. Other sectors did not show much change in proportion or ranking from last month.

As at 31/08/2013, VF4's portfolio consisted of 15 stocks in 9 sectors, in which the top 5 holding by sectors were:

- Materials (18.3% NAV)
- Food, Beverage & Tobacco (17.9% NAV)
- Energy (13.8% NAV)
- Retailing (13.5% NAV)
- Banks (12.7% NAV)

VFA

Fund performance in August 2013

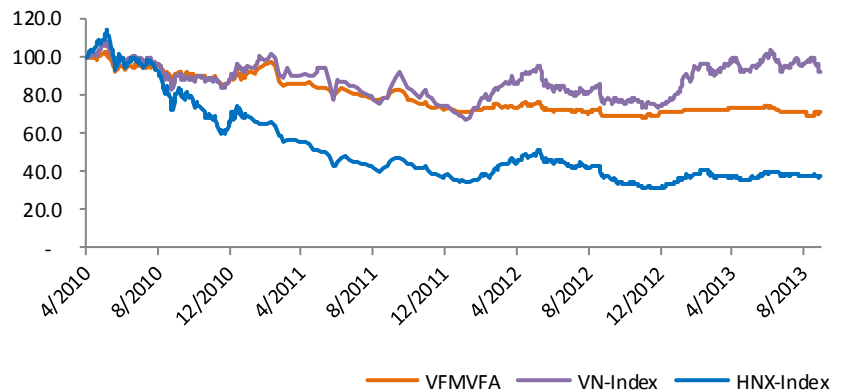
In August 2013, Vietnam stock market witnessed strong fluctuations in a declining trend as VN-Index decreased 19.15 points equivalent to -3.9% and HNX-Index dropped 0.3 points equivalent to -0.5%. At August 31, 2013 VFMVFA's NAV was VND 7,091.4 per certificate, increase VND 4.17 and equivalent to 0.1%.

Movement in net asset value

	31/8/2013			Growth (%)					
	Total fund certificates	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	Since inception 2/4/2010
VFMVFA	17,764,941.6	126.0	7,091.4	0.1	(4.0)	(2.2)	(0.3)	(1.0)	(29.1)
VN-Index			472.7	(3.9)	(8.8)	(0.4)	25.1	14.3	(7.4)
HNX-Index			61.2	(0.5)	(5.3)	(2.2)	19.9	7.2	(62.7)

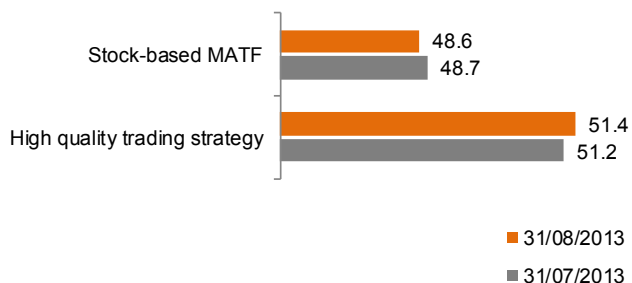
NAV VFMVFA vs Index

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

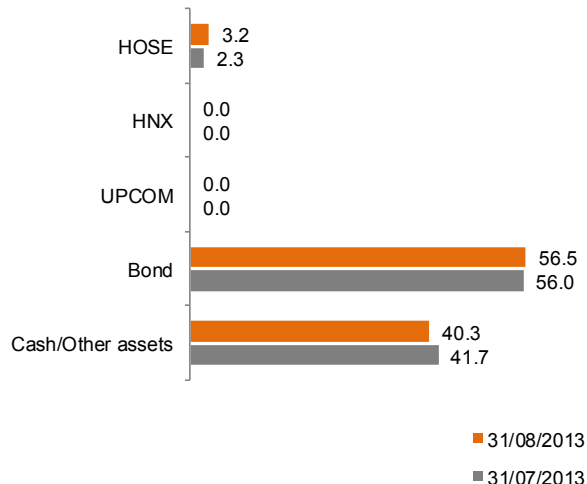
Investment by strategy (%)



In August 2013, the statistical results of the model continued to indicate that the stock market would have unfavorable movements, so High Quality Trading (HQT) strategy continued to invest in risk-free assets and Moving Average Trend Following (MATF) strategy automatically reduced the trading size on each buy/sell signals. Therefore, the stock trading amounts in August 2013 were low.

At August 31, 2013, the strategy proportions did not change much as MATF strategy reduced the proportion from 48.7% to 48.6% and HQT strategy raised the proportion from 51.2% to 51.4%. The main reason was the relative fluctuation of the assets in the fund's portfolio.

Asset allocation (%)



In August 2013, the asset proportions did not change much as compare to the last month. In the same period, MATF had a small buy/sell amount on HOSE stocks, so the proportion on HOSE stocks in the portfolio changed only 0.9%. HQT strategy continued to hold Government Bond, so the Bond proportion did not change much.

At the same time, the investors sold some fund certificates, so it is a main reason to reduce the cash proportion from 41.7% to 40.3%.

DISCLAIMER

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