

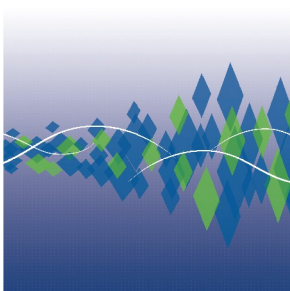


VIETFUND
MANAGEMENT

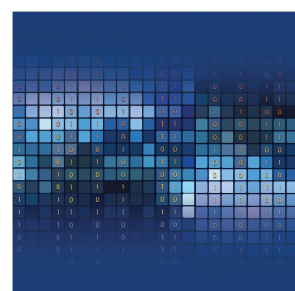
QUARTERLY UPDATE

QIII/2013

| VFM



Dịch vụ Quản lý Quỹ đầu tư
Dịch vụ Quản lý Danh mục đầu tư



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DISCLAIMER

This Newsletter is issued by VietFund Management (VFM). This newsletter is aimed to provide information on net asset value (which have been approved by the Custodian) and activities of our funds. Besides that, other information are based on reliable sources at the time the news are released and VFM does not independently verify that all these statistics are totally adequate and exact. VFM is neither entitled to update, revise the newsletter in any kind nor inform readers in terms of opinion, forecast or estimation when there is changes.

QIII/2013 ECONOMIC AND MARKET REVIEW

ECONOMIC OVERVIEW

The economy slightly recovered with GDP growing by 5.14% in 9 months of 2013 compared with 5.1% of the same period last year.

The economy continued its slight recovery in the third quarter when increasing by 5.54%, a decent growth compared with 5% in the second quarter and 4.76% in the first quarter. This slight increase helped boost GDP in the 9 months to 5.14% compared with 5.1% of the same period last year. The service sector and slight recovery of manufacturing continued to support the economy while the agriculture sector weighed on GDP by slowing down to 2.39% compared with 2.5% in the same period of 2012 and 3.74% in the same period of 2011.

Manufacturing showed sign of rebound when the Purchasing Manager Index (PMI) reached 51.5, the highest level since 4/2011.

After four consecutive months staying under the 50 threshold, indicating contraction of manufacturing, the HSBC PMI climbed to 51.5 in September, the highest level since 4/2011. The fact that the PMI improved in the third quarter indicates that there is manufacturing rebound thanks to stronger economic performances of major export destinations Japan, the US, Europe, and China. Although economists grew less pessimistic thanks to the PMI, they are still prudent in the real rebound of manufacturing activities.

Demand is still subdued albeit slight increase in the third quarter.

Although retail sales posted marginal increase in September, they still do not show real comeback when increasing by 12.5% compared with 12.3% in August. However, retail sales continued their increasing trend with inflation-adjusted growth of 5.3% compared with 5.1% in August.

Inflation accelerated in the third quarter, lifting CPI by 4.6% compared with the beginning of the year.

Inflation increased substantially, by 1.06%, in September compared with 0.83% in August, due to price increases of healthcare and educational services. In the whole quarter, electricity price hike and petrol price hike also took their tolls on inflation. The consumer price index is estimated to increase by 0.5%-0.8% in the last three months of the year, lifting the annual inflation to nearly 7%.

Credit registered decent growth amid economic woes.

Credit growth seemed to have reached its bottom in 2012 with growth rate of 8.91%. After declining in the first two months of the year, credit activity regains its momentum in the middle of 2013 amid declining lending rates and increasing demand for credit. By September, credit grew by 6% compared with the beginning of the year 6% and 12.6% compared with 9/2012. This may be considered good growth in the current economic conditions.

Export continues to shine and foreign direct investment (FDI) is good.

Thanks to economic recovery of major export destinations Japan, Europe, and the US, export has delivered impressive results. Accordingly, export posted US\$96.5 billion in the 9 months, an increase of 15.7% compared with the same period last year. In addition, export structure has improved with high value-added goods increasingly account for larger shares.

Strong performance of export could be attributed to foreign-invested enterprises. In the first 9 months, FDI registration was \$15 billion, an increase of 36.1% while FDI disbursement reached US\$8.6 billion.

MARKET REVIEW

In Q3/ 2013, the stock market turned less attractive than in Q2.2013. VN-Index grew by 2.4% in Q3.2013 after growing 15% in 1H2013. Contributing to growth of VN-Index is five blue chips GAS, VNM, HPG, PVD, and DHG. Meanwhile, HNX-Index decreased in Q3.2013 with 2.9% slump. After three consecutive months of overselling from June to August, foreigners came back to buy more than they sold in September 2013.

Trading value per session in the third quarter in HOSE was less than that of the first two quarters, landing around VND810 billion compared to VND998 billion in Q2.2013 and VND1,043 billion in Q1.2013. Trading value in HNX bourse decreased more than it did in 1H2013 with average of VND514 billion per session in the 1st quarter and VND334 billion per session in the 2nd quarter 2013 and only VND163 billion in third quarter 2013.

Foreign withdrawal continued in July and August after strong withdrawal in June with more than VND1,114 billion worth of withdrawal. This withdrawal was much smaller than that in other Asia countries but affected market performance quite strongly in which VN-Index was down 1.8% in July and August before regaining 4.2% in September 2013. Foreigners also withdrew in the bond market, leading to decrease of bond prices and causing lending interest rate to rise moderately. The decrease in both bond and equity markets, mostly due to net sell of foreigners, made domestic investors more cautious. This is reason why trading value dropped in Q3.2013 in both bourses.

In the third quarter 2013, the Government introduced some support policies and the VAMC was officially established. However, they seemed to have very little impact on the economy and the market. The economy continues to face many troubles such as decrease of budget collection, rising inflation, and fragile recovery of manufacturing. Therefore, both domestic and foreign investors are more calmed down even though Vietnam market is becoming cheaper than other Asia countries (excluded China).

Q4/2013 started with good news from the VAMC when the company bought the very first non-performing loans of some banks and poured cheap money to the economy (proposed 2% pa with VAMC bond). In addition, banks are trying to increase credit growth by lowering lending rates (7%-8%pa for short-term loan). This will help companies reduce their borrowing cost and increase profit in the last quarter of this year. In addition, good performance of companies will positively lift the stock market.

Foreign withdrawal stopped in September 2013 with VND560 billion net bought in HOSE bourse. This will restore the confidence of domestic investors and help market grow better in Q4.2013. Thanks to the Government's orientation in 2014 of continuing to keep stable macro-economy, reform the economy, foreigners will be more confident in investing in Vietnam in both FII and FDI.



VF1

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	1,000,000,000 VND
Outstanding	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
Investment objective	VF1 aims to invest to listed and unlisted shares, fixed-income securities and other financial instruments to build a balanced portfolio

Fund performance in QIII/ 2013

Entering the end of QIII/2013, Vietnam stock market surged significantly on both volume and price after the correcting and quiet period of QII/2013 and early of QIII/2013. Complying with The Extraordinary General Meeting's resolution, VF1's investment activities were halted in the middle of QIII/2013. But thanks to the construction of such solid and efficient portfolio, NAV of VF1 still increased with the component stock prices' appreciation and interest received from proportion of 40% NAV cash. As a result, VF1 reported a surge of 5.7% in QIII/2013.

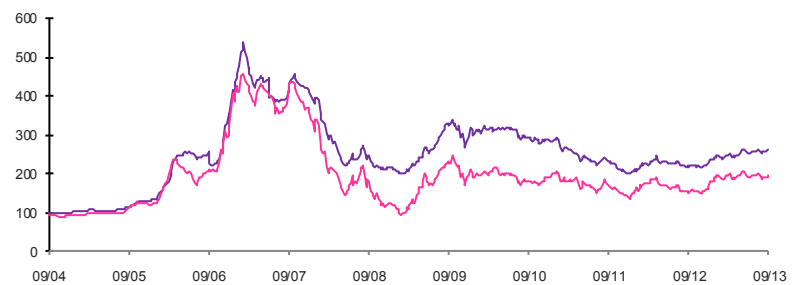
Movement in net asset value

	QIII/ 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	1,879.8	18,798	4.1	5.7	8.4	23.7	23.7	88.0 *
VN-Index			492.6	4.2	2.4	0.3	19.1	19.1	88.3
HNX-Index			61.0	(0.4)	(2.6)	1.2	6.8	6.8	(39.1)

(*) Excluding dividends

NAV VF1 PERFORMANCE VS INDEX

20/05/2004 = 100



Top 5 holdings

Stocks	Market	% NAV
VNM	HOSE	18.7
FPT	HOSE	8.9
DPM	HOSE	6.1
REE	HOSE	4.9
GAS	HOSE	4.1

NAV Performance	NAWF1												YTD	YTD annualized		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec				
2013	11.6	(2.0)	4.4	(1.6)	9.4	(4.7)									17.0	36.9
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		

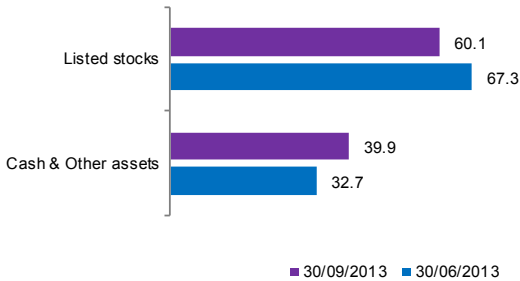


Portfolio review

	ROI (%)		NAV (%)
	QIII/2013	YTD	
NAV	5.7	23.7	100.0
Investments	7.7	24.3	60.1
By listing status of stocks			
Listed stocks	7.7	25.6	60.1
Unlisted stocks	-	(1.9)	-
Bond	-	-	-
Top 5 sectors			
Food, Beverage & Tobacco	6.3	58.2	20.4
Materials	6.2	20.3	11.1
Retailing	10.8	23.3	8.9
Energy	26.1	42.7	7.8
Capital Goods	6.2	22.3	4.9

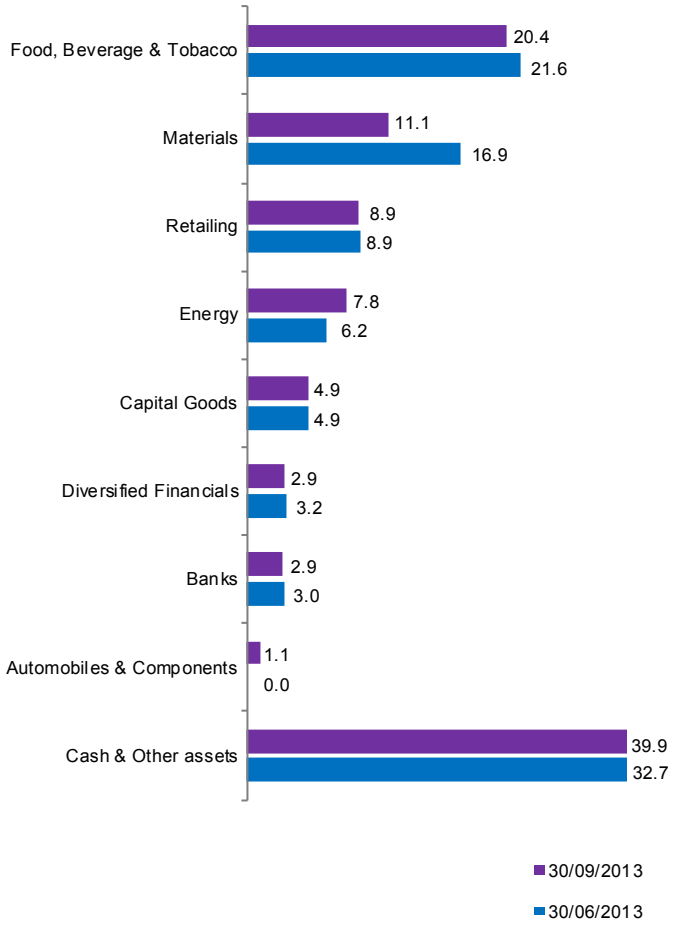
In QIII/2013, proportion of listed stocks yielded a 7.7% return on investment attributing to the significant return of portfolio's top holding by sector such as Food, Beverage & Tobacco, Materials, Retails, Energy, and Capital Goods which showed a return on investment respectively at 6.3 %, 6.2 %, 10.8%, 26.1 %, 6.2 % from QII/2013.

Asset allocation (%)



According to The Extraordinary General Meeting's resolution, VF1 made proportion of cash increasing to 39.9% NAV at 30/09/2013, or up 7.2% from QII/2013.

Investment by industries (%)



During QIII, in order to both satisfy the Extraordinary General Meeting's resolution and the compliance with limit proportion regulating for Open-ended fund, VF1 decreased proportion of Food, Beverage & Tobacco, Materials, and Energy via profit-taking activities and had their proportion respectively declined down to 20.4% NAV, 11.1% NAV, and 6.2% NAV. Moreover, VF1 invested into stocks of Automobiles & Components sectors for their solid fundamental performance and highly growth potential, and increased this sector's proportion up to 1.1% NAV.

The fund's investment /divestment activities generated a decent profit for the fund and lift the cash holding up to 39.9% NAV at 30/09/2013. As at 30/09/2013, VF1's portfolio consisted of 14 stocks in 8 sectors, in which the top 5 holding by sectors were:

- + Food, Beverage & Tobacco (20.4% NAV)
- + Materials (11.1% NAV)
- + Retailing (8.9% NAV)
- + Energy (7.8% NAV)
- + Capital Goods (4.9% NAV)

VF4

Fund name	Quỹ đầu tư Doanh nghiệp Hàng đầu Việt Nam (VF4)
English name	Vietnam Blue-chips Fund
Trading code	VFMVF4
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
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

Fund performance in QIII/ 2013

During QIII/2013 Vietnam stock market was in the accumulating period where VN-Index twice reached above 500 zone within the month of July and August. However, the selling pressure from foreign investors and a low volume have hindered VN-Index's up siding trend. Toward the end of September, Vietnam stock market went through a quiet month around 470 point levels and started to confirmedly surge up to 500 point levels.

At the end of QIII/2013, VF4 constructed portfolio to prepare for compliance of Open-ended Fund type and strictly complying with the Extraordinary General Meeting's resolution. As a result, VF4 was divesting portion of investments and increased cash holding up to 12.2% NAV at 30/09/2013 from 3% NAV at 30/06/2013. As at 30/09/2013, NAV of VF4 reached 8,314 VND/ unit, up 6.8% in QIII/2013. Meanwhile, VN-Index only increased 2.4% and HNX-Index decreased 2.6% in the same period.

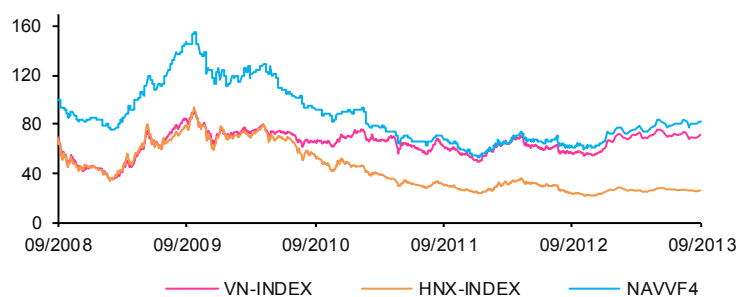
Movement in net asset value

	QIII/ 2013			Performance (%)					Since inception (28/2/2008)
	Fund size (VND bn)	NAV (VND bn)	Unit NAV (VND)	1 month	3 month	6 month	9 month	YTD	
VFMVF4	807	670.5	8,314	5.2	6.8	8.7	25.6	25.6	3.1
VN-Index			492.6	4.2	2.4	0.3	19.1	19.1	(28.2)
HNX-Index			61.0	(0.4)	(2.6)	1.2	6.8	6.8	(73.8)

(*) Dividend included

NAV VF4 Performance vs Index

20/05/2004 = 100



Top 5 holdings

Stocks	Market	% NAV
VNM	HOSE	18.4
FPT	HOSE	13.4
GAS	HOSE	7.9
DPM	HOSE	7.5
REE	HOSE	5.8

NAV Performance	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)							25,6	35,5
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)

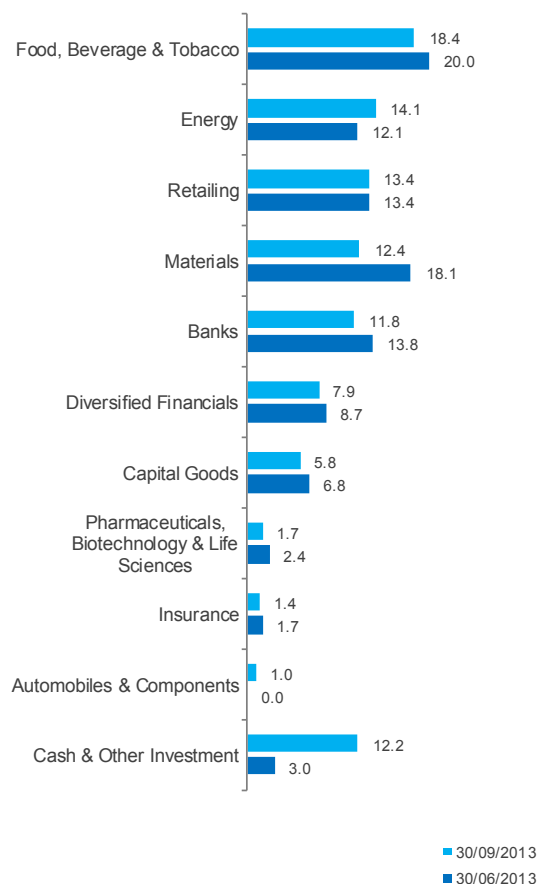


Portfolio review

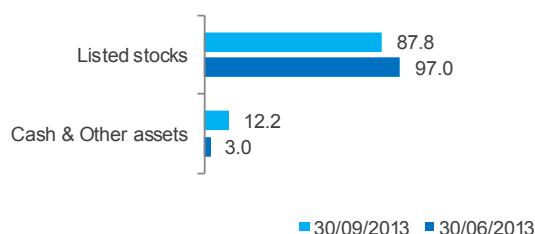
	ROI (%)		NAV (%)
	QII/2013	YTD	
NAV	6.8	25.6	100.0
Investment	7.3	24.7	87.8
By listing status of stocks			
Listed stocks	7.3	24.7	87.8
Unlisted stocks			
Bond			
Top 5 sectors			
Food, Beverage & Tobacco	8.1	58.3	18.4
Energy	22.9	45.9	14.1
Retailing	11.4	23.8	13.4
Materials	13.0	31.9	12.4
Banks	(4.8)	(3.0)	11.8

During QIII/2013, proportion of listed stocks increased 7.3% with the return on investment of the top 5 holding by sector respectively showed Food, Beverage & Tobacco up 8.1%, Energy up 22.9%, Retailing up 11.4%, Materials up 13%, and Banks down 4.8%.

Investment by industries (%)



Asset allocation (%)



Due to the divesting activities in QIII/2013, proportion of listed stocks decreased from 97% NAV at 30/06/2013 down to 87.8% NAV at 30/09/2013 and cash holding increased from 3% NAV at 30/06/2013 up to 12.2% NAV at 30/09/2013.

At the end of QIII/2013, proportion of Food, Beverage & Tobacco, Materials, and Capital Goods decreased due to divestments which were to satisfy Open-ended fund's conversion regulations. Meanwhile, Energy sector increased handsomely and reached to the second position in portfolio ranking by sector, and was ranked after Food, Beverage & Tobacco.

As at 30/09/2013, VF4's portfolio consisted of 17 stocks in 10 sectors, in which the top 5 holding by sectors were:

- + Food, Beverage & Tobacco (18.4% NAV)
- + Energy (14.1% NAV)
- + Retailing (13.4% NAV)
- + Materials (12.4% NAV)
- + Banks (11.8% NAV)



VFA

Fund name	VIETNAM ACTIVE FUND (VFA)
Abbreviation	VFA
Fund term	Public open-end fund
Initial capital mobilization	240,437,600,000 Vietnamese Dong
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 (VILAF)
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

Fund performance in QIII/ 2013

In the third quarter in 2013, the Vietnam stock market fluctuated in opposite directions as VN-Index increased 2.4%, while HNX-Index lost 2.6%. In the same period, VN-Index rose sharply due to the significant rise of the large-cap stocks which have high proportion in VN-Index such as GAS and VNM.

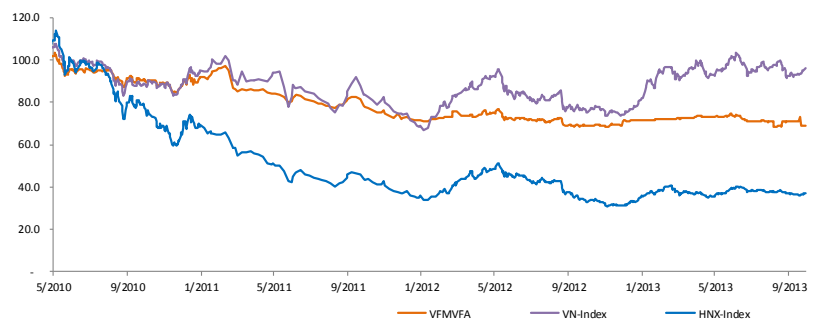
As of September 30, 2013 VFMVFA's NAV was 6,906.1 VND per unit, a 3.0% reduction in NAV compared to June 30, 2013.

Movement in net asset value

	QIII//2013			Performance (%)					
	Fund units (mil.)	NAV (VND bn.)	Unit NAV (VND)	1-month	3-month	6-month	9-month	Year-to-date	Since inception (2/4/2010)
VFMVFA	17,7	122,4	6.906,1	(2,6)	(3,0)	(5,3)	(3,6)	(3,6)	(30,9)
VN-Index			492,6	4,2	2,4	0,3	19,1	19,1	(3,5)
HNX-Index			61,0	(0,4)	(2,6)	1,2	6,8	6,8	(62,9)

NAV VFMVFA vs Index

02/04/2010 = 100



Strategies review

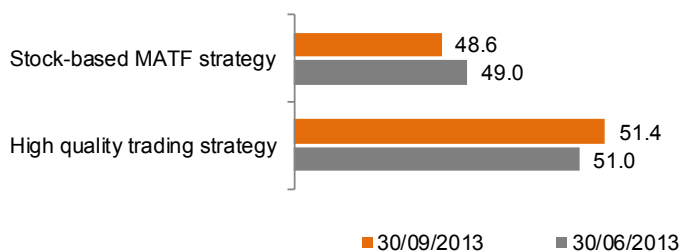
	% NAV	IRR QIII/2013	Đóng góp vào NAV (%)
Stock-based Model Averaging Trend-Following strategy	48.6	(3.94)	(1.90)
High Quality Trading strategy	51.4	(2.20)	(1.10)
Total	100.0		(3.00)

In the third quarter in 2013, the Stock-based MATF strategy (comprised 48.6% NAV) invested 7.2 VND billion and divested 10.2 VND billion on HOSE, which comprised 100% the investment and divestment on stock of the portfolio. The High quality trading strategy had no buy/sell signal in the same period.

In the third quarter in 2013, 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 54.8%. The purchase of government bonds is to ensure that cash and bank deposits do not exceed 49% of the fund's total asset value according to the open-ended fund regulation.

At the end of September 2013, the market price of the bonds that are hold by VFMVFA was less than the intrinsic value (based on the market interest rate) about 4.2% and this caused the return of Stock-based MATF strategy and High quality trading strategy to be respectively -3.9% and -2.2% and contributed -1.9% and -1.1% in the total return of the fund. From our view, the bond price can quickly return to the intrinsic value in the next few days.

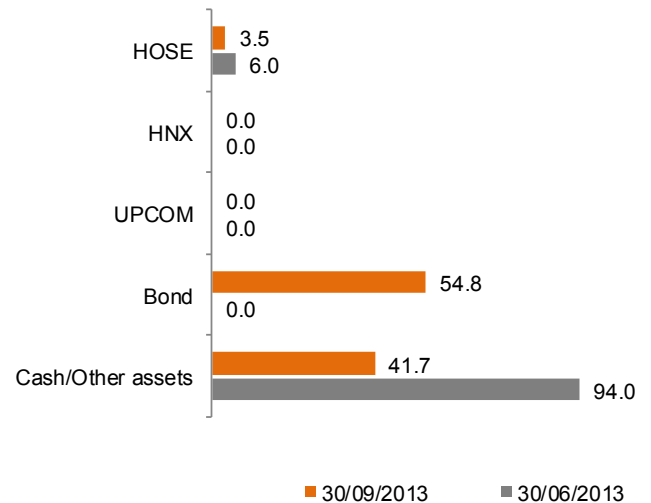
Investment Portfolio by strategy



In the third quarter in 2013, the stock market did not reflect clearly the trend, so the High quality trading strategy invested fully in risk-free assets and the Stock-based MATF strategy reduced sharply on the investment on stock. Therefore, the trading amount on stock was very low in this quarter.

As of September 30, 2013 the proportion of the strategies did not changed much over the previous quarter, Stock-based MATF strategy reduced its proportion from 49.0% to 48.6% and the High quality trading strategy increased its proportion from 51.0% to 51.4%. The main reason is the relative volatility of the investments in each strategy.

Investment Portfolio by asset classes



In the third quarter in 2013, VFMVFA invested in low-risk government bonds with short and medium term that caused the proportion of the bond to increase from 0% to 54.8% over the previous quarter. It was also reason to reduce the cash proportion from 94.0% to 41.7%.

Furthermore, in the third quarter in 2013, the Stock-based MATF strategy implemented small buy/sell amount on HOSE, so it was a reason to reduce the proportion of HOSE stock from 6.0% to 3.5%. VFMVFA has not currently invested on HNX and UPCOM because they have not reached the criterion of liquidity and financial security.



VFMVFB

Fund name	Vietnam Bond Fund
Abbreviation	VFMVFB
Fund term	Open-ended fund
Initial capital mobilization	99,574,822,600 VND
Par value	20,000,000 (two millions) VND
Term of the Fund	Unlimited
Inception date	10/06/2013
Custodian Bank	Deutsche Bank AG, Hochiminh City Branch
Auditor	Ernst & Young Vietnam Ltd.
Fund fee	- Management: 2%/ NAV/ year - Custodian: 0.02%/NAV/year - Listing : 0.06%/NAV/year - Others
Fund's Objective	The objective of VFMVFB is to achieve income primarily from investments in fixed income securities, including but not limited to Vietnamese Government bonds, government guaranteed bonds, municipal bonds, corporate bonds in accordance with Vietnamese law, commercial notes and money market instruments.

Fund performance in QIII/2013

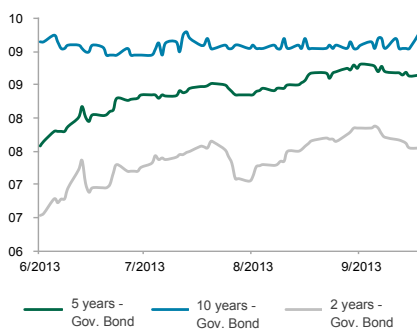
After the first trade date on 28/06/2013, Vietnam Bond Fund (VFMVFB) began its investment activities by investing into 3-years government bond with the current time to maturity being under 2.4 years. As at 10/10/2013, NAV of VFMVFB increased 0.7% since inception and the portfolio liquidity is at high level. Between July and October, turnover of Vietnam bond market was mainly on bond term of 2 and 3 years which yield was abnormally volatile up to 80 basis points. Such volatility in yields also affected the fund' NAV (please see attaching notes on chart)

Furthermore, such abnormal fluctuation to NAV of August and September will be no longer repeated after 01/10/2013 since the fund's board of representatives recently amended the NAV calculation methodology to avoid such abnormal fluctuation in the future. In the same period, the fund was executing the repo transaction and term deposits to generate more income. If the decreasing trend on 3 years bond's yield would continue since September to the end of year, NAV of VFMVFB would produce a good return in QIV/2013.

Movement in Net Asset Value (NAV)

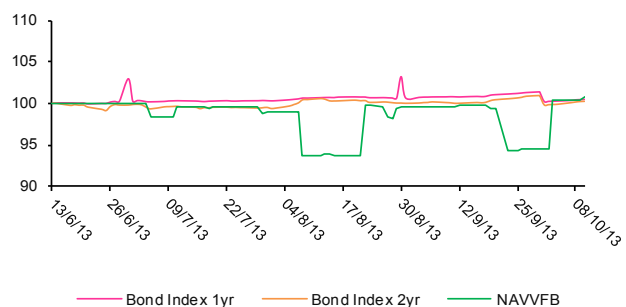
	30/9/2013			Growth (%)		
	Fund Size Bil. VND	NAV Bil. VND	NAV/fund unit VND	1 tháng	YTD	Since inception (10/6/2013)
VFMVFB	99,6	85,6	10.070,3	6,7	0,7	0,7
Bond Index 1 Year			180,2	(0,9)	5,9	0,5
Bond Index 2 Year			185,5	(0,7)	8,6	0,2

YIELDS



NAV vs. Bond_Index

10/06/2013 = 100



(*) Notes: NAV of VFMVFB showed abnormal volatility at 08/08/2013 and 26/09/2013 due to the occurrences of abnormal volatility in trading price which the differences between normal trading price and executed trading price reached 5%. Under the NAV calculation methodology being applied before 01/10/2013, VFMVFB must value investment bond with the market executed price, the fund's NAV will be no longer affected by such abnormal executed trading price given 2 weeks without trading. The abnormal volatility was majority due to the technical NAV calculation methodology and did not really reflect accurate fund' NAV performance. After 01/10/2013, NAV of VFMVFB will be no longer affected by such abnormal volatility.

PETROVIETNAM FERTILIZER & CHEMICALS CORPORATION - DPM

COMPANY PROFILE

PetroVietnam Fertilizer and Chemicals Corporation (DPM) was established and officially came into operations in 01/2004. DPM manages and operates the Phu My Fertilizer Plant, producing and trading urea fertilizer, liquid ammoniac, industrial gas and other chemical products.

In addition, DPM is the first Vietnamese company to apply and integrate technology to the production of nitrogen fertilizers (Urea) from gas, using European technology.

Besides, DPM is the market leader in nitrogen fertilizer production with annual capacity of 800,000 tons. Currently, the company holds the largest share of around 40% of the domestic urea market. Moreover, the firm has competitive advantage thanks to low cost production from fully-depreciated fixed assets.

For the last two years, DPM has recorded an outstanding performance with annual NPAT of approximately VND3,000 billion. Furthermore, the firm possesses a strong balance sheet with no debts and nearly VND6,000 billion cash or 63% of total assets.

GROWTH POTENTIAL

The potential growth for DPM is expected to be limited in the next two years due to (i) the current plant has been fully operating and (ii) no new investment projects because of PVN's policy.

However, with the impressive annual net incomes, we expect DPM will be able to pay annual dividend rate of 40%-45%, the rate that the firm did last year, in the two coming years. As at market valuation of VND40,000 per share, the stock is trading at ~10% of dividend yield, an attractive return.

1H RESULTS AND 2013 FORECASTS

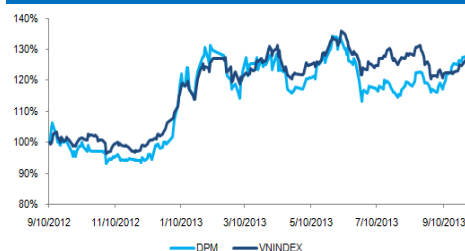
In the first half of 2013, DPM registered VND6,100 billion in revenue, achieving more than 57% of its plan but finished 84% its NPAT plan, landing at VND1,617 billion.

For the whole year, we estimate DPM may reach net profit of around VND2,450 billion or 28% higher than its plan at AGM.

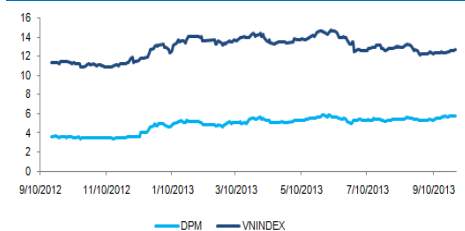
KEY INDICATORS

YTD Return (%)	26.8
Outperform/(Underperform) (%)	9.0
Market Cap (VND Bil.)	1,565.6
Shares Outstanding (Mil.)	379.9
State Ownership (%)	61.4
Available Foreign Room (%)	20.1
Index Weight (%)	2.0
VN30 Weight (%)	2.0
P/E Trailing (x)	5.6
P/B (x)	1.6
Dividend Yield (%)	10.9

PRICE



P/E



Financial Summary	2011	2012	Plan 2013	2013F	2014F	YTD 2013	4Q Trailing
Net Revenue (VND Mil.)	9,226.5	13,321.9	10,710.0	9,421.1	7,794.8	6,099.7	12,332.5
Revenue Growth (%)	39.4	44.4	(19.6)	(29.3)	(17.3)	n/a	(0.1)
Net Profit (VND Mil.)	3,140.6	3,067.6	1,915.0	2,448.0	2,000.6	1,617.2	2,672.6
Net Profit Growth (%)	82.3	(2.8)	(37.6)	(20.5)	(18.4)	n/a	(0.1)
Gross Margin (%)	43.7	32.5	n/a	36.0	36.8	35.8	32.8
Net Margin (%)	34.0	23.0	0.2	26.0	25.7	26.5	21.7
ROE (%)	37.7	33.9	n/a	26.8	20.1	n/a	28.7
ROA (%)	33.4	28.6	n/a	22.7	17.3	n/a	24.0
EPS (VND)	8,220.0	7,990.0	5,039.5	6,308.7	5,176.7	4,201.0	7,033.0
EPS Change (%)	-	(2.8)	(36.9)	(21.0)	(17.9)	n/a	(0.1)
DPS (VND)	3,500.0	4,500.0	2,500.0	4,500.0	4,000.0	n/a	n/a
BVPS (VND)	21,786.7	23,726.7	n/a	25,630.0	26,160.4	25,447.0	25,447.0
P/E (x)	2.9	4.5	8.2	6.5	8.0	n/a	5.9
P/B (x)	1.1	1.5	n/a	1.6	1.6	1.6	1.6
Total Debt/Equity (x)	-	-	-	-	-	-	-
Current Ratio (x)	7.0	5.2	n/a	6.1	5.1	5.5	5.5

HOA PHAT GROUP JSC - HPG

COMPANY PROFILE

HPG is one of the biggest private industrial group in Vietnam, specializing in construction steel. In addition to holding the second biggest market share in steel producing sector, HPG also is one of the top players in steel pipe and furniture manufacturing sector. Also, the company derives income from refrigeration engineering, construction, and mining equipment trading.

In 2009, HPG invested successfully in Phase 1 of the Hoa Phat Integrated Steel Complex with annual capacity of 350,000 ton. By running the Phase 1 at full capacity, HPG has increased its market share 14,2% from the third to the second biggest manufacturer of steel in Vietnam. Also, the complex helped HPG decrease manufacturing cost and increase profit margin, especially in the difficult time of 2011-2012.

In 2012, HPG started building the Phase 2 of the complex with annual capacity of 500,000 tons. At the moment, the Phase 2 is in the testing period and is expected fully run at the end of this year. Two phases of the complex will help HPG increase capacity of steel production to 1.1 million ton per year, competing directly with Pomina - the market leader.

GROWTH POTENTIAL

Steel sector has recovered in 2013 with growth of more than 3% yoy. With backward infrastructure, the steel sector has a lot of chance to grow in the future.

At the end of August 2013, HPG maintained 14.2% market share in the construction steel sector. With full operation of Phase 2 of Steel Complex at the end of this year, HPG will increase annual capacity to 1.1 million tons, and HPG can potentially gain the No.1 market share when the No.1-Pomina has only 2% market share higher than HPG.

When two phases of Steel Complex fully operate, HPG can increase its ability to control manufacturing cost. At the moment, HPG has the highest gross margin and net margin in steel production sector. HPG are trying to minimize their cost to compete directly with Chinese steel.

Real estate business of HPG is doing well when the biggest project of HPG – Mandarin Garden has sold around 80% total units. This could be reflected in in 2013 and 2014.

1H RESULTS AND FORECAST 2013

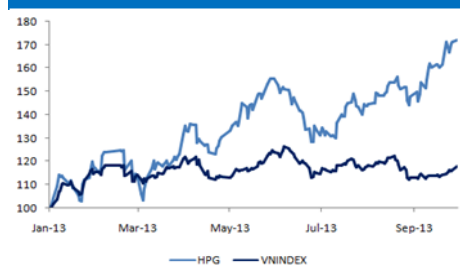
First half of 2013, HPG achieved excellent results with more than VND1,012 billion net profit, increase 86% yoy. The nice increase in profit could be mainly attributed to i) lower production cost of steels when fully operation of Phase 1 Steel Complex, ii) higher net financial income from a divestment and lower interest expense, iii) steel price in Vietnam was stable in the first half this year while the steel price in the world reduced moderately.

For the second half of 2013, steel volume which HPG can sell may be not as good as volume sold in the first half due to the wet season in the North Vietnam. Also, the steel price reduced in Q3.2013 compared to Q2.2013 and this will let performance in Q3.2013 of HPG cannot good as Q2.2013. Therefore, 2013 forecasted business performance will be VND19,420 billion in revenue, increase 15% yoy and VND1,706 billion in net profit, increase 65,6% yoy.

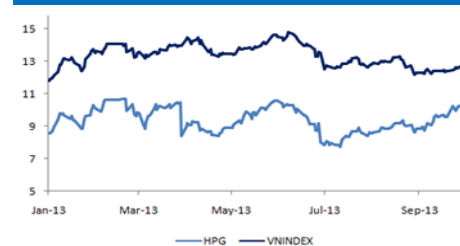
KEY INDICATORS

Current Price (VND)	36,300.0
YTD Return (%)	81.5
Outperform/(Underperform) (%)	60.5
Market Cap (VND Bil.)	15,211.6
Shares Outstanding (Mil.)	419.1
State Ownership (%)	-
Available Foreign Room (%)	5.3
Index Weight (%)	1.9
VN30 Weight (%)	5.4
P/E Trailing (x)	10.1
P/B (x)	1.7
Dividend Yield (%)	5.5

PRICE



P/E



Financial Summary	2011	2012	Plan 2013	2013F	2014F	YTD 2013	4Q Trailing
Net Revenue (VND Mil.)	17,851.9	16,857.8	18,500.0	19,420.5	25,679.5	8,410.4	16,667.9
Revenue Growth (%)	25.13	(5.57)	9.74	15.20	32.23	(4.01)	(1.20)
Net Profit (VND Mil.)	1,296.9	1,030.5	1,200.0	1,706.4	2,316.9	1,012.7	1,500.3
Net Profit Growth (%)	(5.7)	(179.5)	16.4	65.6	35.8	87.5	45.6
Gross Margin (%)	16.1	14.7	n/a	15.0	16.7	18.5	15.7
Net Margin (%)	7.3	6.1	6.5	8.8	9.0	12.0	9.0
ROE (%)	18.6	13.2	n/a	20.0	24.1	11.2	16.6
ROA (%)	8.0	5.6	n/a	8.6	11.1	4.8	7.1
EPS (VND)	4,080.1	2,459.2	2,863.6	4,072.0	5,528.9	2,416.6	3,580.3
EPS Change (%)	-	(39.7)	16.4	65.6	35.8	n/a	45.6
DPS (VND)	2,000	2,000	2,000	2,000	2,000	n/a	n/a
BVPS (VND)	23,557.0	19,409.3	n/a	21,301.2	24,526.0	21,544.5	21,544.5
P/E (x)	8.9	14.8	12.7	8.9	6.6	15.0	10.1
P/B (x)	1.5	1.9	n/a	1.7	1.5	1.7	1.7
Total Debt/Equity (x)	1.3	1.3	n/a	1.2	1.0	1.3	1.3
Current Ratio (x)	1.4	1.4	n/a	1.6	1.5	1.2	1.2

INVESTOR RELATION ACTIVITIES

VIETNAM SECURITIES INVESTMENT FUND (VFMVF1)

◆ **Announcement on fund conversion, account opening**

- On 8th October, 2013, Vietnam Securities Investment Fund (VF1) was officially received *License no. 05/GCN-UBCK* by the State Securities Commission of Vietnam.
- On 9th October, 2013, VFM has sent *VF1 certificate holding confirmation* to investors in the List of Investors provided by Vietnam Securities Deposit (VSD) on 30th September 2013, attached with the *Guidance to open accounts and trading of VFMVF1 fund certificate*. Hence, VF1 investors will proceed to open account at distributor authorized.
- In order to trade on the first session - Thursday, **7th November, 2013**, investors should submit all required documents on opening account to authorized distributor from 21st to 31st October 2013. After this period, authorized distributor will continue receive subscription form for later trading.

◆ **Name list of current distributor agents** *(To be updated)*

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4-5 Floor, Building 66A Tran Hung Dao Street, Hoan Kiem District, Ha Noi

Phone Number: (84-4) 3933 4693 Fax: (84-4) 3933 4822

• **Reference documents**

Detail information related to VFMVF1 open-ended fund trading, please access our website <http://vinafund.com.php?act=document&id=7>

- Announcement on trading date of open-ended fund;
- Prospectus of open-ended fund on August 2013
- Fund charter of open-ended fund on August 2013
- Forms on open-ended fund account trading

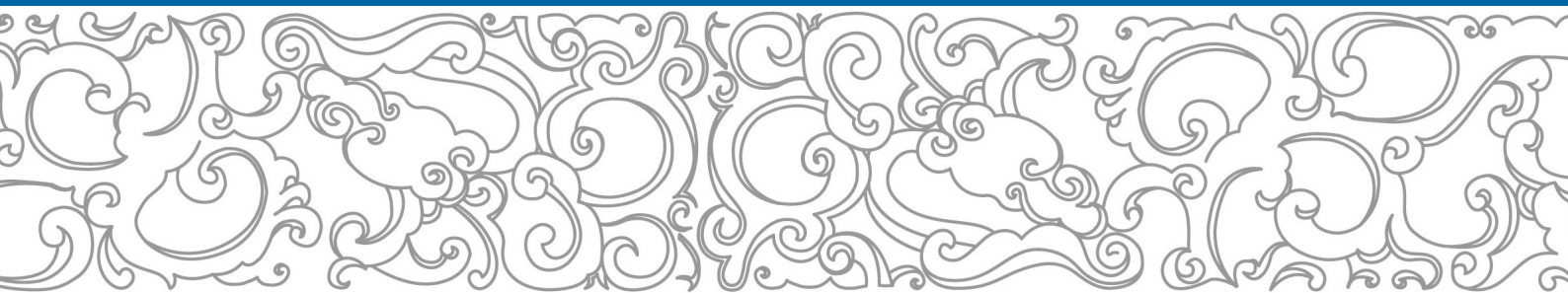
CONTACT

For further information related to Funds' operation, please refer documents which are posted at website: www.vinafund.com or send us your requirement via email: ir@vinafund.com.

DECREE NO. 108/2013/ND-CP AND DECISION NO. 428/QD-UBCK

On the third quarter of 2013, the government agency had issued two (02) outstanding legal documents on the securities market, namely: the Decree No. 108/2013/ND-CP dated September 23, 2013 on sanctioning of administrative violations in the field of securities and securities market and the Decision No. 428/QD-UBCK dated July 11, 2013 promulgating regulations establishing guidelines, operational risk management system for the fund management company and investment company that manage their capital themselves. On the whole, the two documents had been adjusted to ensure the transparency of securities markets, compliance with laws and protect the interests of investors, as follows:

- The Decree No. 108/2013/ND-CP takes effect on November 15, 2013, and replaces the Decree No. 85/2010/ND-CP on sanctioning of administrative violations in the field of securities and securities market. Compared to the old document (Decree No. 85/2010/ND-CP), this document provides strictly more, such as:
 - The fine levels in this document are elevated (e.g. the fine level of fraud from VND 1,200,000,000 to 1,400,000,000 (the old fine of VND 500,000); the fine level of trading of manipulating securities market from VND 1,000,000,000 to 1,200,000,000 (the old fine from VND 200,000 to 300,000); the fine level of insider transactions from VND 800,000,000 to 1,000,000,000 (the old fine from VND 150,000 to 200,000).
 - Application objects in this document are more detail (e.g. The fine level and penalties for violations of individual stock offering in Vietnam of public Joint Stock Company; issuing of individual bonds in Vietnam; offering securities to the public in Vietnam; issuing bonds to the international market, securities offering overseas and issue new stock to basis of offering of certificate in securities custody or support the issuance of certificate in securities custody overseas on the basis of issued shares in Vietnam ...).
- The Decision No. 428/QD-UBCK promulgating regulations establishing guidelines, operational risk management system for the fund management company and investment company that manage their capital themselves. This document provides the fund management company shall complete the structure, construction risk management systems in accordance with company and funds, portfolio managed by the company; promulgate strategies, policies, processes, risk management, and reporting the State Securities Commission before March 31, 2014.



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