

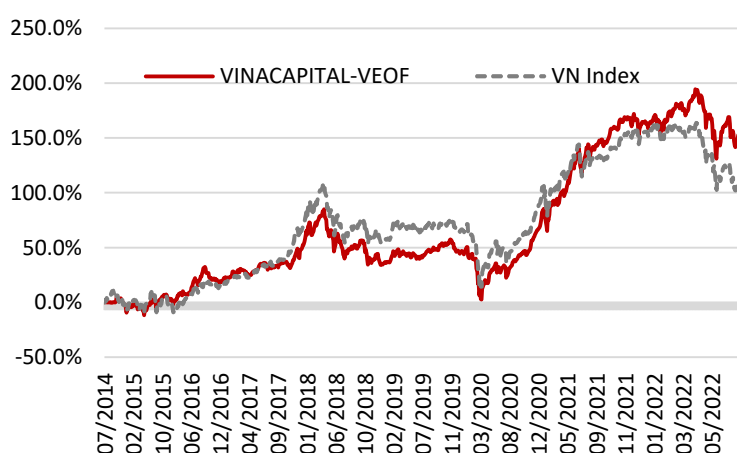
## VINACAPITAL-VEOF

## Investment approach

The fund applies active investment strategy and bottom-up stock selection, concentrates on high-conviction stocks through a deep dive research and analysis.

The fund mainly invests in large and mid-cap stocks which are industry leaders or differentiate in competitive advantages, have growth potential and are being undervalued.

## NAV growth since inception



The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your fund units. Current performance may be higher or lower than the performance data quoted.

## Fund performance

### VINACAPITAL-VEOF VN-Index

Total AUM (VND billion)	1,076.0	
NAV/Share (VND)	24,800.0	
Jun 2022 return (%)	(4.7)	(7.4)
YTD 2022 return (%)	(6.7)	(20.1)
3-year annualized return (%)	20.7	8.0
Annualized return since inception (%)	12.0	9.5
Cumulative return since inception (%)	148.0	107.2

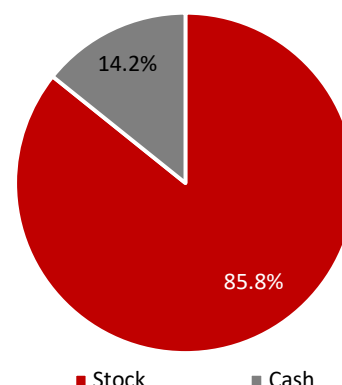
(The NAV is net of management fee and administrative expenses)

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## Investment allocation

### % Total NAV



## Fund information

Inception	1/7/2014
Management fee	1.75% per annum
Subscription fee	0.0%
Redemption fee	2.0% < 12 months 1.5% >= 12 months 0.5% >= 24 months
Custodian and Supervisory Bank	Standard Chartered Bank Ltd. (Viet Nam)
Auditor	PwC Vietnam
Trading frequency	Daily, from Monday to Friday
Benchmark	VN-Index

## Portfolio statistics

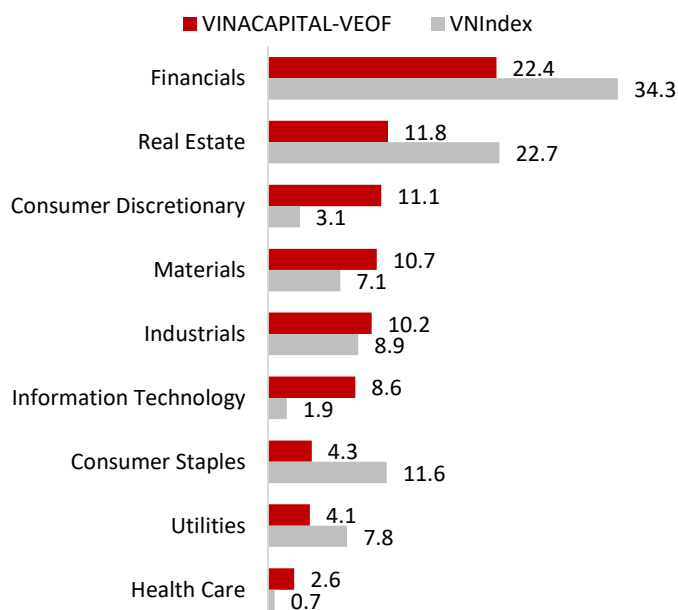
	VINACAPITAL-VEOF	VN-Index
Trailing P/E (x) (*)	12.7	13.0
Trailing P/B (x) (*)	3.0	2.0
Trailing ROE (%) (*)	22.0	15.6
Dividend yield (%) (*)	2.0	1.5
Portfolio turnover (%)	19.6	-
Shape ratio	0.4	0.2
No. of stocks	35	403

\* Trailing 12-month data

Source: Bloomberg, VinaCapital's forecast

## Sector allocation

### % Total NAV



## Top holdings

Stock	Sector	% NAV
FPT	Information Technology	8.6
MWG	Consumer Discretionary	7.4
MBB	Financials	6.0
VCB	Financials	5.4
GAS	Utilities	4.1
VPB	Financials	3.4
PNJ	Consumer Discretionary	3.3
VRE	Real Estate	3.2
PHR	Materials	2.8
CTG	Financials	2.7

## Comments from fund manager

### MARKET COMMENTARY

The VN-Index fell 7.4% in June, closing the month at 1,197.6 points, marking its third consecutive month of decline. On a year-to-date (YTD) basis, the VN-Index has declined 20.1%.

Vietnam's stock market retreated after news that the US consumer price index surged by 8.6% YoY in May, the highest inflation since December 1981, which prompted the Fed to raise its benchmark interest rate by 75 bps to a range of 1.5% - 1.75%. Global stock markets fell even further in June, with the MSCI World Index and the S&P 500 dropping 8.6% and 8.4% MoM, respectively.

Amid this environment, domestic retail investors remained cautious. The average daily trading value was unchanged in June, at VND17.8 trillion on the combined three bourses, 42% lower than the average number in 1Q22. Foreign investors, on the other hand, were net-buyers of VND3.3 trillion in June, making it the third month in-a-row of net-buying and bringing the YTD net-buy value to VND4.2 trillion.

Macro-economic data for 2Q22 were far better than expected. Vietnam's GDP advanced by 7.7% YoY in 2Q22, lifting 1H22 growth to 6.4% YoY, a significant improvement compared with 5.7% YoY growth in 1H21. The June figures alone were also impressive. The industrial production index grew 11.5% YoY in June and 8.7% YTD. Retail sales surged by 27.3% YoY in June, bringing YTD growth to 11.7% YoY in nominal terms and 7.9% in real terms. Inflation was a bit of a concern, as the CPI increased 0.7% MoM, while it was 3.4% for the YTD at the end of June.

### FUND COMMENTARY AND INVESTMENT OUTLOOK

VINACAPITAL-VEOF's NAV per share retreated 4.7% in June, outperforming the VN-Index by 2.7%. On a year-to-date basis, VINACAPITAL-VEOF declined 6.7% while the VN-Index slumped by 20.1%.

Impacted by the negative movement of the market, the majority of the stocks in VINACAPITAL-VEOF's portfolio fell in June. Nevertheless, 9 out of the portfolio's top 10 stocks outperformed the market last month.

PNJ was among the best-performing stocks in the portfolio in June, increasing 12.4% MoM thanks to better-than-expected business results. Revenue and net profit for 5M22 reached VND15.6 trillion and VND1.0 trillion, both growing by 47% YoY.

GAS (-1.9% MoM) also expects encouraging business results in 1H22. Preliminary revenue and net profit were estimated to reach VND55 trillion and VND6.9 trillion in 1H22, a 36% and 61% YoY growth, respectively, thanks to surging gas prices.

Short-term volatility is likely to persist as the Fed considers additional interest rate hikes and domestic investor sentiment remains affected by the recent stock market violations and the stringent regulations of the real estate sector. Nevertheless, we maintain our view that at the current valuation of 2022F P/E of 11.8x at the end of June, Vietnam's stock market is attractive for long-term investment. In the next few months, investors may look forward to the higher credit quotas granted by the State Bank of Vietnam and a cooling-down of inflation. As of 6 July, the Bloomberg Commodity Index has declined by 19% from its peak roughly one month ago.

## Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	-2.8%	-2.3%	-26.2%	15.1%	10.3%	-2.4%	-2.1%	10.9%	3.2%	0.4%	10.1%	7.7%	16.1%
2021	-0.1%	11.8%	0.5%	5.6%	11.6%	5.1%	-1.8%	3.0%	3.2%	8.3%	-0.1%	-0.3%	56.5%
2022	0.0%	5.1%	3.3%	-6.0%	-4.1%	-4.7%							-6.7%

### Important information

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