

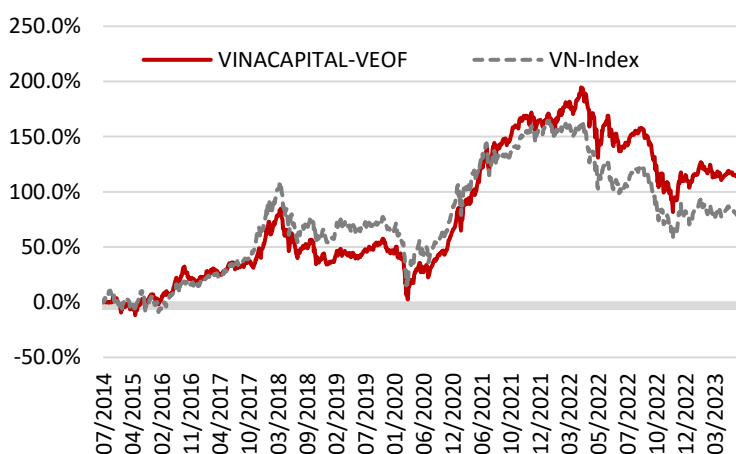
VINACAPITAL-VEOF

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)	869.9	
NAV/Share (VND)	21,582.1	
Apr 2023 return (%)	(0.2)	(1.5)
YTD 2023 return (%)	3.1	4.2
3-year annualized return (%)	22.3	10.9
Annualized return since inception (%)	9.1	7.0
Cumulative return since inception (%)	115.8	81.5

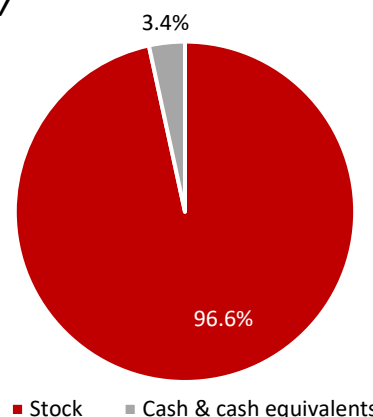
(The NAV is net of management fee and administrative expenses)

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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
Custodian and Supervisory Bank	0.5% >= 24 months
	Standard Chartered Bank Ltd. (Viet Nam)
Auditor	PwC Vietnam
Trading frequency	Daily, from Monday to Friday
Benchmark	VN-Index

Portfolio statistics

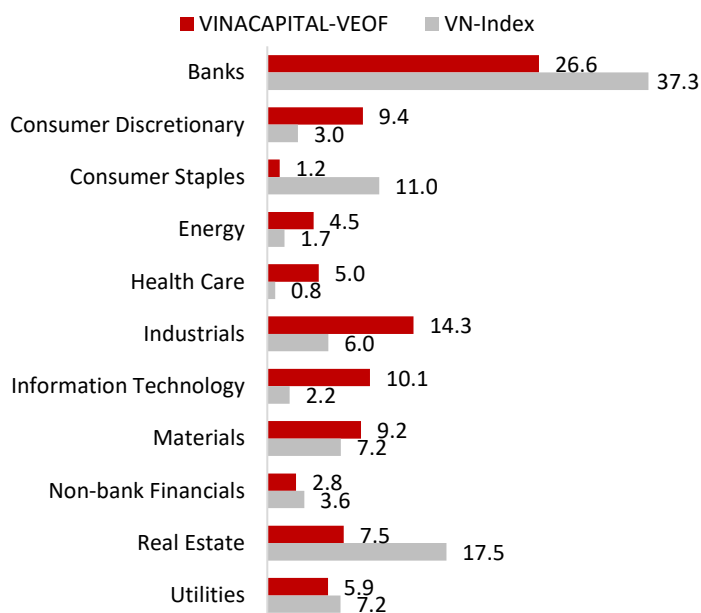
	VINACAPITAL-VEOF	VN-Index
Trailing P/E (x) (*)	12.5	14.1
Trailing P/B (x) (*)	2.3	1.6
Trailing ROE (%) (*)	17.6	13.1
Dividend yield (%) (*)	2.3	1.8
Portfolio turnover (%)	31.7	-
Sharpe ratio	0.3	0.1
No. of stocks	29	403

* Trailing 12-month data

Source: Bloomberg, VinaCapital's forecast

Sector allocation

% Total NAV



Top holdings

Stock	Sector	% NAV
FPT	Information Technology	10.1
VCB	Banks	9.4
PNJ	Consumer Discretionary	5.1
BID	Banks	4.9
STB	Banks	4.8
PLX	Energy	4.5
HPG	Materials	4.4
GAS	Utilities	4.4
ACB	Banks	4.3
VRE	Real Estate	4.2

Comments from fund manager

MARKET UPDATES

The VN-Index fell 1.5% in April to close at 1,049. On a year-to-date basis, Vietnam’s stock market has advanced by 4.2%.

The market entered April with positive sentiment thanks to the Government’s policies to support the economy and the real estate and bond market. The VN-Index reached its monthly high at 1,081 points on 5 April. However, the market then came under profit-taking pressure towards the end of the month as the long national holidays approached. Additionally, weak economic data in April and the negative Q1 earnings announcements of listed companies also made investors more cautious.

Following the announcement of supportive policies from the Government, on 23 April, the State Bank of Vietnam (SBV issued revised circulars on the bond trading activities of commercial banks (Circular 03) and debt restructuring (Circular 02). In general, these two new circulars provide banks with the necessary tools to manage the issues related to corporate bonds and loans to customers who are struggling in their businesses. Meanwhile, borrowers may have more time to prepare for their upcoming repayments.

The Q1 business results of listed companies indicate that businesses are experiencing a difficult period as the global economic slowdown continues to weigh on Vietnam’s manufacturing and export sectors and domestic demand has weakened. Interest rates, despite having cooled down, remained high. As of 8 May 2023, 1,023 listed companies have announced Q1 business results, with the aggregate net profit of these enterprises decreasing by 18.1% YoY. The sectors with the sharpest drops included Materials, Consumer Discretionary, Consumer Staples, and Real Estate (except VHM), with Q1 profit declining by 81.6%, 66.3%, 51.4% and 45.8% YoY, respectively. On a positive note, the Energy, Healthcare, and Information Technology sectors saw Q1 profits increase by 79.1%, 34.9% and 5.6% YoY, respectively.

Foreign investors’ activities were also somewhat discouraging. After being net buyers of VND6.9 trillion in Q1, foreign investors net sold VND1.5 trillion in April. Market liquidity improved, with the average daily trading value rising to VND13.4 trillion in April, up 32% MoM.

FUND UPDATE AND INVESTMENT OUTLOOK

In April 2023, the NAV per share of VINACAPITAL-VEOF declined by 0.2%, outperforming the VN-Index, which dropped by 1.5%. On a year-to-date basis, VINACAPITAL-VEOF has increased by 3.1%.

Although listed companies recorded an 18% YoY decrease in the aggregate profit, eight out of ten of the fund’s largest holdings recorded positive YoY profit growth.

The banks held by VINACAPITAL-VEOF all achieved earnings growth. Q1 2023 net profit of VCB and BID, two state-owned joint stock commercial banks, reached VND9.0 trillion and VND5.5 trillion, up 13% and 53% YoY, respectively. Two private banks, STB and ACB, achieved net profits of VND1.9 trillion and VND4.1 trillion, up 49% and 26% YoY, respectively. Those results were very encouraging given that the Q1 profit of the banking industry as a whole fell by 2.3% YoY. The banks in the fund’s portfolio are expected to maintain positive business results thanks to good asset quality and credit growth of over 12% in 2023.

FPT continued to maintain strong growth, with revenue and net profit reaching VND11.7 trillion and VND1.5 trillion, up 20% and 21% YoY, respectively. The growth drivers came from the global IT services and the education segment, which grew by 33% and 53%, respectively.

VRE’s Q1 business results exceeded expectations, with net profit reaching VND1.0 trillion, up 171% YoY. Regarding its business plan for 2023, the company set a net profit target of VND4.7 trillion, or 71% YoY growth.

Vietnam’s stock market remains attractive for long-term investment with the VN-Index’s 2023F P/E at just over 10x. The market needs more time to absorb the Government’s supportive policies to overcome the short-term challenges and return the economy to higher growth. According to data from the SBV, as of 20 April, credit growth reached 2.75% on a year-to-date basis, a notable increase from March (1.61%), due to banks offering lower interest rates to borrowers. At present, the SBV continues to encourage commercial banks to reduce interest rates to support the economy. In the short term, there are some potential risks that investors need to pay attention to, including weak economic growth globally and domestically, a slow recovery for domestic businesses, and a large amount of bonds issued by real estate companies becoming due from the end of Q2.

Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
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%	-1.3%	5.2%	-10.1%	-10.2%	0.8%	-0.1%	-21.2%
2023	7.8%	-5.3%	1.2%	-0.2%									3.1%

Important information

The information contained herein has been prepared by VinaCapital Fund Management Joint Stock Company (the “Company”) and is subject to updating, completion, revision, further verification and amendment without notice.

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