

VVF is an actively managed UCITS-compliant fund that invests in equities and equity-related securities of companies that are based in Vietnam, with an objective to deliver long-term capital growth, through bottom-up stock picking and disciplined risk management. This UCITS is a product pursuant to Article 8 SFDR.

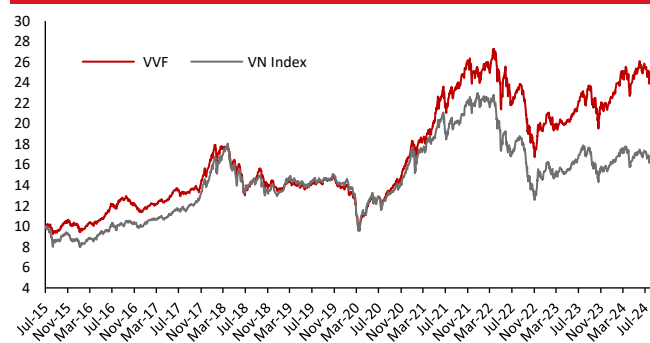
PERFORMANCE SUMMARY

	Fund ¹	VN-Index
August 2024 (m-o-m)	4.7%	4.1%
YTD	19.0%	10.9%
3-year annualized	4.4%	-4.1%
5-year annualized	12.9%	4.0%
Annualized since inception ²	11.2%	6.4%
Accumulated since inception ²	163.4%	76.2%
Sharpe ratio (annualized since inception ²)	0.45	0.24
Standard deviation (annualized since inception ²)	20.6%	21.9%
Tracking error	7.7%	

1. Fund information calculated from Class A shares, on a net basis

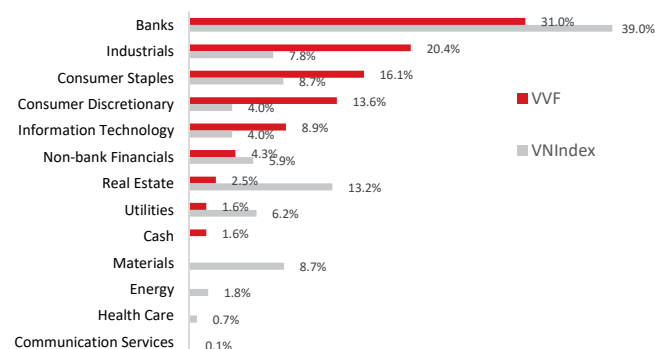
2. Class A inception date: 14 July 2015

PERFORMANCE CHART



Past performance is not necessarily guidance to the future.

SECTOR ALLOCATION



TOP HOLDINGS

Ticker	Market Cap (USDmn)	Sector	% of NAV	2024F PE	2024F ROE
MWG	4,101	Consumer Discretionary	9.9%	22.4	15.8%
GMD	1,005	Industrials	9.4%	17.9	13.3%
FPT	7,913	Information Technology	8.9%	25.1	25.0%
QNS	545	Consumer Staples	6.4%	7.6	23.3%
TCB	6,612	Banks	5.1%	7.4	15.1%
CTG	7,565	Banks	5.0%	8.3	15.7%
MBB	5,300	Banks	4.9%	5.7	20.5%
STB	2,315	Banks	4.9%	6.4	16.9%
VHC	664	Consumer Staples	4.9%	13.0	13.5%
ACB	4,452	Banks	4.9%	6.2	21.3%
VVF Port.				11.2	22.8%
VN-Index				11.7	14.9%

Source: Bloomberg, VinaCapital's estimates

MONTHLY COMMENTARY

MARKET UPDATES

In August 2024, the stock market demonstrated robust performance, with the VN-Index rising by 4.1% MoM in USD terms. The month began on a cautious note, influenced by negative sentiment from international markets. However, as the month progressed, the VN-Index showed resilience and rebounded strongly. This recovery was largely driven by a global market rally, where major indices like the S&P 500 and Nasdaq posted significant gains, boosting investor confidence in Vietnam.

Another key factor contributing to the market's positive performance was anticipation of the market upgrade by FTSE. Investors were optimistic about the removal of the "prefunding" bottleneck, which is a crucial criterion for an upgrade. Additionally, the Vietnamese Dong appreciated by 1.6% against the USD, further enhancing market sentiment. This currency appreciation made Vietnamese assets more attractive to foreign investors, adding to the market's upward momentum.

Real estate stocks also played a significant role in the market's increase. The sector surged by 6.9% following the implementation of new laws, including the Land Law 2024, Housing Law 2023, and Real Estate Business Law 2023, all of which came into effect on 1 August 2024. These legislative changes are seen as positive steps towards improving the regulatory environment and encouraging investment in the sector.

During the month, trading activity was subdued across the three stock exchanges. The average daily trading value (ADTV) fell to USD742mn, marking a 2.8% decrease compared to the previous month and a 31.0% decline from the same period last year.

In August, foreign investors continued their net selling across all three exchanges for the seventh consecutive month, offloading USD152mn. Year-to-date (YTD), net sales by foreign entities reached USD2.6bn, a significant increase from the USD122mn net outflow recorded during the same period last year.

PORTFOLIO UPDATES

The portfolio increased 4.7% in August, outperforming the VN-Index by 0.6% in USD terms. Year-to-date (YTD), the portfolio has risen by 19.0% compared to the VN-Index's 10.9% increase as of the end of August 2024.

The standout performers in our portfolio were Mobile World Corporation (MWG), which rose by 11.0%, and FPT Corporation (FPT), which increased by 6.4%. Conversely the primary underperformers were Quang Ngai Sugar (QNS), which gained a modest 1.3%, and Gemadept Corporation (GMD), which edged up by 2.1%.

Gemadept Corporation (GMD) - The largest private port operator in Vietnam

Vietnam's trade activities recovered strongly in 1H24 (total trade +15.7% yoy in 1H24) and led to a surge in container throughput across ports nationwide (+22% yoy in 1H24). In that context, GMD, the largest private port operator in the country, also witnessed strong growth across all its ports, with total throughput volume reaching ~2mn TEU in 1H24, +50%. On financials, the company recorded 1H24 revenue of USD87mn (+21% yoy) and core net profit of USD22mn (+38% yoy). There was a significant turnaround in its deep-sea port Gemalink (a 50% JV and not consolidated in the financial statement), where the profit contribution to GMD jumped to USD6mn in 1H24 from a loss of USD2.0mn in 1H23. This turnaround was driven by strong volume growth (+100% YoY) due to the introduction of new service lines (The Alliance and Evergreen) in 4Q23 and a 10% increase in service fees effective from late Feb 2024. The company is currently expanding, with Phase 3 of its northern port Nam Dinh Vu under construction, which will bring total capacity in the north from 1.2mn TEU in 2023 to 2mn TEU in 2026. Meanwhile, Phase 2 of its southern deep-sea port Gemalink will start construction in early 2025, which upon completion will bring total capacity in the south from 2.4mn TEU in 2023 to 3.9mn TEU in 2026. In the coming months, the company plans to raise USD120mn via a rights issue to help finance its investment needs. GMD, with a market cap of more than USD1.0bn at end-Aug 2024, is trading at a PER of 20.1x 2024E and 17.7x 2025E. The company maintains a solid balance sheet with low leverage, with net debt/equity of nearly 0 as at end 2Q24.

MACRO INDICATORS

	2023	Aug 2024	YTD 2024	y-o-y (%)
GDP growth ¹ (%)	5.1		6.4	
Inflation ² (%)	3.3	3.5	4.0	
FDI commitments ³ (USDbn)	28.1	2.0	17.7	32.1
FDI disbursements (USDbn)	23.2	1.6	14.2	8.0
Imports (USDbn)	326.4	33.7	246.9	18.1
Exports (USDbn)	354.7	37.8	265.4	15.9
Trade surplus/(deficit) (USDbn)	28.3	4.1	18.6	
Exchange rate (USD/VND) ⁴	24,265	24,875		

Sources: GSO, Vietnam Customs, SBV, MPI, Bloomberg

1. Latest quarterly GDP performance | 2. Inflation: year-on-year change | 3. Excluding Share Cap Contribution
4. BBG-USDVND Spot Exchange Rate

VVF FUND INFORMATION

Fund Launch Date	14 July 2015
Legal Entity Identifier (LEI)	5493003GR1U7LK7K6767
Trading Period	Daily Subscriptions/Redemptions
Fund Size	USD89.1m
Incorporation	Luxembourg
SFDR Classification	Article 8
Registered	UK, The Netherlands, Germany, Singapore, Austria, Switzerland, Sweden, France
Management Company	Edmond de Rothschild Asset Management (Luxembourg)
Fund Manager	VinaCapital Fund Management JSC
Depository Bank	Edmond de Rothschild (Europe)
Auditor	PwC Societe Cooperative Luxembourg
Swiss Representative	First Independent Fund Services Ltd, Klausstrasse 33, CH-8008 Zurich, Switzerland
Swiss Paying Agent	NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8022 Zurich, Switzerland
Fund Platform Availability	Allfunds, Clearstream, Fundsettle, MFEX, Attrax, FIL Fondsbank (FFB)

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KEY TERMS

	Class A	Class B	Class C	Class D	Class G	Class H	Class I
Currency	USD	USD	EUR	EUR	JPY	USD	USD
Min. Investment	500,000 ¹	5,000	500,000 ¹	5,000	10,000,000 ¹	5,000,000 ¹	10,000,000 ¹
Management Fee	1.25%	2.00%	1.25%	2.00%	2.00%	1.25%	1.00%
Bloomberg	FOVCPVA LX	FOVIEBU LX	FOVIECE LX	FOVIEDE LX	FOVCPVG LX	FORMVIN LX	FOVCPUI LX
ISIN	LU1163030197	LU1163027052	LU1214542463	LU1214545136	LU1286783011	LU2552457918	LU2560055225

¹ The minimum initial subscription amount may be waived at the discretion of the Investment Manager.

Disclaimer

The current Sales Prospectus, the Key Investor Information Document (KIID), the Articles of Association as well as the semi-annual, annual reports of the Forum One – VinaCapital Vietnam Fund (“the Fund”) are the sole binding basis for the purchase of Fund shares. These documents can be obtained in English and free of charge from the Investment Manager’s website (<https://vinacapital.com/investment-solutions/offshore-funds/vvf/>) and the Management Company’s website (<http://navcentre.edmond-de-rothschild.eu/>). This document is prepared by VinaCapital Fund Management Joint Stock Company (“VinaCapital”) for the information of shareholders in the Fund and other eligible recipients, on the basis of information obtained from sources VinaCapital considered to be reliable, but VinaCapital does not make any representation or warranty, express or implied, as to its accuracy, completeness, timeliness or correctness. The information contained in this document is for background purposes only and is subject to updating, revision and amendment, and no liability whatsoever is accepted by VinaCapital or any other person, in relation thereto. Please refer to the Fund’s prospectus for more information on the Fund and its risks. This document is neither a prospectus nor an offer or invitation to apply for shares and neither this document nor anything contained herein shall form the basis of any contract of commitment whatsoever. Past performance is not necessarily guidance to the future. The value of shares in the Fund and the income derived there from may go down as well as up. You are advised to exercise caution in relation to this document. If you are in any doubt about this document or any information contained in this document, you should obtain independent professional advice. The information contained in this document is strictly confidential and is intended only for the use of the individual or entity to which VinaCapital has provided the report. No part of this report may be reproduced or distributed without the prior consent of VinaCapital.

MONTHLY COMMENTARY (cont’d)

MACRO COMMENTARY

Vietnam’s manufacturing output growth has accelerated throughout 2024, and there are clear signs that the sector will continue to drive the country’s GDP growth into early-2025. Manufacturing output growth was consistent at about 6% yoy earlier this year and then accelerated linearly, reaching nearly 10% yoy growth in 8M24.

Exports to the US surged 26% yoy (versus a 19% drop in 8M23), driving the 16% increase in the country’s total exports in 8M24. Export growth far outpaced the country’s ~10% factory output growth in the first eight months of the year, which means production will necessarily need to pick-up in the months ahead to keep up with the demand.

Inventories of finished products have fallen every month in 2024 while new orders have remained at near record-high levels. Factories have been aggressively buying production inputs in response to their swelling order books. That said, Vietnam’s PMI reading dropped from a near six-year high of 54.7 in July to 52.4 in June as employment contracted because factories had some difficulties hiring enough workers.

Weak US economic data prompted concerns about the sustainability of Vietnam’s export and manufacturing-driven recovery. Slower growth in the US would weigh on Vietnam, but we do not expect that would significantly impact Vietnam until next year, given the positive leading indicators. Also, the US Fed has signalled that it plans to cut interest rates fairly aggressively this year and next, which in-turn has taken some depreciation pressure off the VN Dong.

The USD-VND exchange rate appreciated 1.5% month-on-month in August, driven by a 2.2% drop in the value of the US Dollar/DXY Index and supported by Vietnam’s stunning USD4.1b trade surplus in August and USD18.6b surplus in 8M24. As of the end of August, the VN Dong had depreciated by 2.5% YTD, after having depreciated by as much as ~5% YTD earlier in the year.

FDI inflows grew 8% yoy to USD14b (or 5%/GDP), which also helped support the VND. There had been speculation that the State Bank of Vietnam (SBV) would need to hike policy interest rates in Vietnam by 50 bps (to 5%) to help support the Dong, but the near 3% appreciation in the USD-VND exchange rate since late-June (until end-August), coupled with falling inflation, has, in our view, completely negated that possibility.

CPI inflation in Vietnam fell from 4.4% yoy in July to 3.5% in August driven in-part by a ~6% drop in retail petrol prices. Global oil prices fell by more than 10% in July, which was reflected in lower retail petrol prices in Vietnam in August.