

Forum One - VCG Partners Vietnam Fund (VVF)



31 August 2015

Class A NAV/share: USD9.47

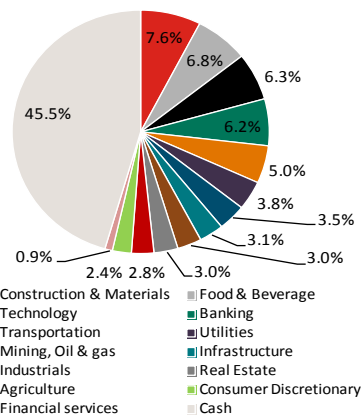
VVF is an actively managed UCITS-compliant fund that invests in equities and equity-related securities of companies that are based in Vietnam or that has substantial exposure to Vietnam, with an objective to outperform the Vietnamese benchmark index over the long term, through bottom up stock picking and disciplined risk management.

Performance summary

	Fund ¹	VN Index
August 2015 (month-on-month)	(5.4%)	(11.7%)
Year-to-date	(5.3%)	(14.2%)
Cumulative since inception	(5.3%)	(14.2%)
% of Up months	50.0%	0.0%
Annual standard deviation	10.4%	19.4%
Tracking error	8%	

¹Fund information calculated from Class A shares

Asset allocation



Calendar

VVF Managing Director in Europe **October 5th to 10th**

Thu Nguyen, CFA will be travelling around Europe to meet clients in Helsinki, Frankfurt, Munich, Stockholm, Luxembourg, Zurich and London

VinaCapital Investor Conference **October 14th to 16th**

Thu Nguyen, CFA will be presenting at VinaCapital's annual investor conference in Ho Chi Minh City. For more details you can download the investor conference agenda [here](#)

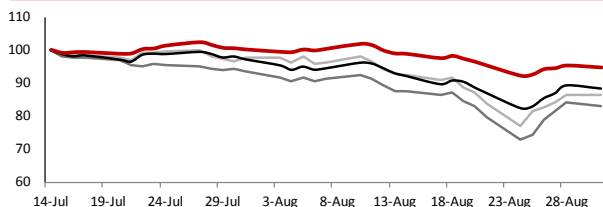
Manager's monthly commentary

Vietnam's stock market was not spared from the recent global rout. Triggered by the sharp devaluation of the Yuan, the Dong weakened by about 3% in August. This, coupled with increasing concerns over China's hard landing and its consequences on Vietnam, caused the VN Index to plunge 11.7% (in USD term) to end the month at 564.7, after touching 526.9 on Black Monday Aug 24th, the lowest daily close since mid-Dec 2014.

The Fund's NAV per share held up relatively well, falling only 5.4% for the month (especially in light of the 3% currency devaluation), outperforming the VN Index by 6.3% over the same period. The Fund's performance was helped by the top holdings Vinamilk (VNM) and Vietnam Container Shipping (VSC). VNM, which accounts for 6.8% of the Fund's NAV, advanced 4% on the news of cash dividend (3.4% yield), 20% stock dividend, and improved business outlook thanks to the tumble in the price of milk powder. Our position in VSC also returned 4% during the period as we partially realised profit on the stock at a premium due to its full foreign room status. On the other hand, banking, and oil and gas stocks plummeted during the market whirlwind, with Vietcombank (↓16%) and PetroVietnam Technical Services (↓17%) being the biggest drags on the Fund's performance. During August, VVF received cash dividends from VNM, Can Don Hydropower and FPT Corporation, totalling 0.7% of the Fund's NAV.

Despite the ongoing market volatility, we are observing attractive buying opportunities and will take advantage of the market lull to build up positions in some good stocks that we have been eyeing for some time.

Performance chart



Top holdings

Ticker	Market Cap (USDm)	Sector	% of NAV	2015F PE	Div Yield
VNM	5,340	Food & Beverage	6.8%	16.0	5.0%
FPT	782	Technology	6.3%	9.2	4.5%
VSC	98	Transportation	5.0%	8.7	2.8%
HPG	1,014	Construction & materials	4.6%	7.0	4.8%
VCB	5,039	Banking	4.5%	21.8	2.8%
SJD	54	Utilities	3.8%	6.2	9.5%
CII	222	Infrastructure	3.1%	7.1	5.1%
PVS	417	Mining, oil & gas	3.1%	5.8	5.7%
DRC	187	Industrials	3.0%	10.8	5.4%
MWG	410	Consumer discretionary	2.4%	9.7	2.3%

Source: VinaCapital's estimates

Fund structure

Launch date	14 July 2014
Fund Size	USD97.0m
Incorporation	Luxembourg
Management company	Edmond de Rothschild Asset Management (Luxembourg)
Investment manager	VinaWealth FM JSC
Depository Bank	Edmond de Rothschild (Europe)
Auditor	PwC Societe Cooperative Luxembourg

Key terms

	Class A	Class B	Class C	Class D
Currency	USD	USD	EUR	EUR
Min. Investment	500,000	5,000	500,000	5,000
Management fee	1.25%	2.00%	1.25%	2.00%
Bloomberg	FOVCPVA LX	-	-	-
ISIN	LU1163030197	LU1163027052	LU1214542463	LU1214545136

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The current Sales Prospectus, the Key Investor Information Document (KIID), the Articles of Association as well as the annual Reports of the Forum One – VCG Partners 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 Fund Manager's website (www.vinawealth.vn/en) and the Management Company's website (<http://navcentre.edmond-de-rothschild.eu/>). This document is prepared by VinaWealth Fund Management Joint Stock Company ("VinaWealth") for the information of shareholders in the Fund and other eligible recipients, on the basis of information obtained from sources VinaWealth considered to be reliable, but VinaWealth 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 VinaWealth 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 be 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 VinaWealth has provided the report. No part of this report may be reproduced or distributed without the prior consent of VinaWealth.