

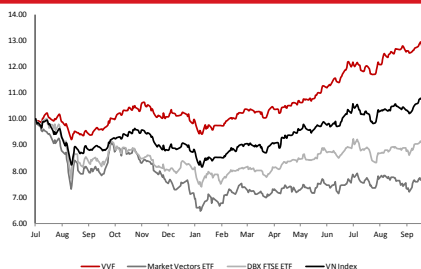
VVF is an actively managed UCITS-compliant fund that invests in equities and equity-related securities of companies that are based in Vietnam or that have substantial exposure to Vietnam, with an objective to outperform the Vietnamese benchmark index over the long term, through bottom up stock picking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

### Performance summary

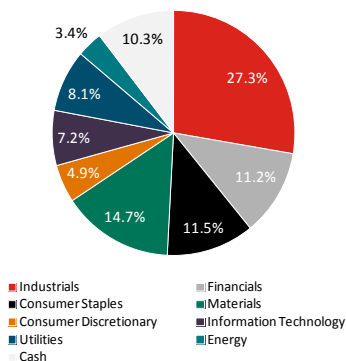
	Fund <sup>1</sup>	VN Index
September 2016 (month-on-month)	1.1%	1.7%
Year-to-date	25.3%	19.4%
Cumulative since inception	28.3%	5.0%
% of Up months	79.3%	69.0%
Annualised standard deviation	12.85%	15.75%
Tracking error	7.8%	

<sup>1</sup>Fund information calculated from Class A shares

### Performance Chart



### Sector Allocation



### Calendar

#### VinaCapital Investor Conference

VinaCapital will hold its annual Investor Conference from 12-14 October, 2016. The event will include a range of speakers from a number of listed, private and OTC companies.

#### VVF Roadshows

Roadshows planned for the last quarter of 2016 to include Germany, Austria, Switzerland, Sweden, Belgium and Luxembourg.

### Manager's monthly commentary

The VN Index closed September at 686, a gain of 1.7% from the previous month, to achieve its highest level since February 2008. The stock market now boasts a P/E valuation of above 16x, the result of healthy market liquidity and optimism regarding third quarter earnings results. The market's gains were further fuelled by positive investor sentiment as well as favourable global and domestic macroeconomic factors. First, the decisions by the US Federal Reserve and Bank of Japan to not change interest rates boosted global markets, including Vietnam's, in the latter half of the month. Additionally, Vietnam's GDP grew 6.4% in the third quarter, providing a strong boost for the market at the end of the month.

The fund slightly underperformed the Index, with VVF Class A NAV per share increasing 1.1% in USD terms. On a year-to-date basis, however, the fund has outperformed the Index by a wide margin of 5.9%. The fund's star performer in September was Binh Minh Plastic (BMP, +18.9%), the country's leading plastic pipe manufacturer, which commands approximately 50% share in Vietnam's southern market. The firm has benefited from robust demand for plastic pipe as well as the low price of plastic resin, and expects a 20% year-over-year increase in output this year. It is expected that Binh Minh Plastic will eliminate its foreign ownership limit and the government will divest its stake in the company in the next year, news of which we believe will be a positive catalyst for the stock.

The FPT Corporation (FPT) also posted solid share price performance in September, gaining 6.3%. FPT recorded a profit before tax of USD77m for the first eight months this year. The company's year-over-year growth rates of both top and bottom line indicators improved in August due to a number of large infrastructure integrations contracts secured during the month. With overseas markets continuing to post healthy growth, FPT's revenues and profit before taxes from overseas market were both up 29% year-over-year. Also during the month, a fund whose life is up in 2017 completely divested their 5.36% stake in FPT and we took the opportunity to increase our position at a reasonable valuation.

Meanwhile, the construction and construction materials sectors had a good month in September as the stocks of the sectors' two best representatives, Cotec Construction (CTD) and Hoa Phat Group (HPG), posted gains of 6.8% each. Given construction growth remained at a six-year high of 9.1% for the first nine months of the year compared with 8.8% for 1H2016, we expect the sectors would continue to perform well towards year end.

### Top holdings

Ticker	Market Cap (USDm)	Sector	% of NAV	2016F P/E	Div Yield
VNM	9,110	Consumer Staples	9.6%	20.9	3.6%
HPG	1,727	Materials	7.4%	7.9	3.3%
FPT	961	Information Technology	7.2%	10.1	4.3%
VSC	139	Industrials	6.6%	11.5	2.2%
BMP	395	Industrials	5.7%	13.0	2.1%
CTD	572	Industrials	4.6%	13.4	2.1%
SJD	60	Utilities	3.7%	7.6	8.7%
PVS	425	Energy	3.4%	10.5	5.7%
GAS	6,047	Utilities	3.2%	18.7	4.3%
CII	318	Industrials	3.1%	8.9	4.7%
VVF Portfolio				12.2	3.8%
VNIndex				16.3	2.6%

Source: VinaCapital's estimates

### Macroeconomic update

The Vietnamese economy continued to be an outperformer in the region by demonstrating significant growth during the third quarter. Vietnam's gross domestic product (GDP) grew 6.4% y-o-y during the third quarter, due in part to a slight recovery in agriculture following a crippling drought. The disbursement of foreign direct investment (FDI) accelerated in September, with a total of USD11b disbursed during the first nine months of the year, a 12% y-o-y increase. The manufacturing sector showed improved growth in September as the Nikkei Vietnam Manufacturing Purchasing Managers' Index rose from 52.2 in August to 52.9 in September, the highest point in 16 months. The Index of Industrial Production increased by 7.4% y-o-y during the first nine months of the year, with growth seen in processing and manufacturing, electricity production and distribution, and water supply and treatment. On the consumer side, retail sales rose by 9.5% YTD in nominal terms and 7.7% YTD in real terms.

On the trade front, Vietnam posted a surplus of USD2.9b during the first nine months of the year. In September, exports fell 6.8% m-o-m to USD15b due to turnover reduction in items such as telephones and components, footwear, and garments. Export growth, however, increased 6.7% YTD while import growth became positive for the first time this year in September. Inflation increased 0.5% m-o-m due to a hike in tuition and education costs. The Vietnam dong (VND) remained stable during the month, especially as Vietnam's foreign currency reserves are widely estimated to be at a record high of nearly USD40b, up from USD29b from last year.

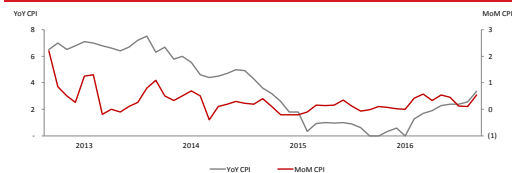
With the agricultural sector beginning to show signs of life, foreign direct investment disbursements accelerating and the manufacturing sector continuing to expand, the economy is well positioned to finish the year strongly at the end of the fourth quarter. We believe that GDP growth for the full year will be 6.0%.

### Macroeconomic indicators

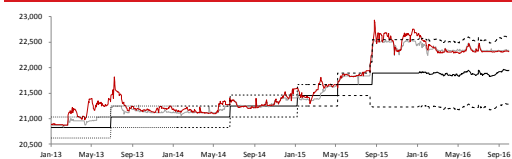
	2015	Sep-16	2016 YTD	Year-on-year
GDP growth <sup>1</sup>	6.7%		5.93%	
Inflation (%)	0.5%	0.5%	3.1%	3.3%
FDI commitments (USDbn)	22.8	2.1	16.4	(4.2)%
FDI disbursements (USDbn)	14.5	1.2	11.0	12.4%
Imports (USDbn)	165.6	15.1	125.4	9.4%
Exports (USDbn)	162.4	15.0	128.2	8.6%
Trade surplus/(deficit) (USDbn)	(3.2)	(0.1)	2.8	
Exchange rate (USD/VND) <sup>2</sup>	22,450	22,265	0.8%	

Sources: GSO, Vietnam Customs, SBV, VCB | 1. Annualised rate, updated quarterly 2. (-) Denotes a devaluation in the currency, Vietcombank ask rate | 3. Compared to the first 9 months of 2015

### Year-on-year and month-on-month inflation (%)



### Foreign exchange rates (VND/USD)



### Key terms

	Class A <sup>1</sup>	Class B	Class C	Class D	Class E	Class F <sup>3</sup>	Class G
Currency	USD	USD	EUR	EUR	USD	GBP	JPY
Min. Investment	500,000	5,000	500,000	5,000	500,000	3,000,000	10,000,000
Management fee	1.25%	2.00%	1.25%	2.00%	1.25%	1.25%	2.00%
Performance Fee	None	15% <sup>2</sup>	15% <sup>2</sup>	15% <sup>2</sup>	15% <sup>2</sup>	None	None
Bloomberg	FOVCPVA LX	FOVIEBU LX	FOVIECE LX	FOVIEDE LX	FOVIEEU LX	-	-
ISIN	LU1163030197	LU1163027052	LU1214542463	LU1214545136	LU1286782559	LU1286782716	LU1286783011

<sup>1</sup> Class A Shares are restricted to existing holders of the Listed Portfolio Share class (AIM: VNIL) of Vietnam Infrastructure Limited; external investors may subscribe to the Class A Shares at the discretion of the Investment Manager.  
<sup>2</sup> 15% of the outperformance of the NAV per Share over the Adjusted Reference NAV as described in Section IX of the Forum One-VCG Partners Vietnam Fund Prospectus (Updated June 2016).  
<sup>3</sup> UK investors should note that Class F Shares will comply with the restrictions on the payment of commissions or rebates as a result of the UK Financial Conduct Authority's Retail Distribution Review (RDR).

### Fund structure

Launch date	14 July 2015
Trading Period	Daily Subscriptions/Redemptions
Fund Size	USD76.0m
Incorporation	Luxembourg
Registered	UK, Germany, Singapore, Austria, Switzerland, Sweden
Management company	Edmond de Rothschild Asset Management (Luxembourg)
Investment manager	VinaWealth FM 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

### Contact details

Jonathan Luu  
 Investor Relations  
[vinawealth.vn/en/vinacapital-fund](mailto:vinawealth.vn/en/vinacapital-fund)  
 Phone: +84-83821-9930  
 Email: [ir@vinacapital.com](mailto:ir@vinacapital.com)