

**PXP VIETNAM FUND LIMITED**

A Cayman-domiciled closed-end fund listed in Ireland. The investment objective of the Fund is to achieve long-term capital appreciation of its assets by investing in a portfolio of the equity securities of Vietnamese companies, whether established with domestic or foreign ownership, which are either listed companies or pre-listing companies.

**FUND DETAILS**

**Launch Date:** 31 December 2003      **Issue Price:** US\$ 2.500

**NAV per share:** US\$ 2.649 as at 30 September 2005

**Number of shares in issue:** 8,564,000

**Fund size:** US\$ 22.7 million

**Number of holdings:** 19

Performance	1 month	3 months	1 YR
<b>PXPVF</b>	<b>+7.95%</b>	<b>+9.83%</b>	<b>+10.56%</b>
<b>Viet Nam Index</b>	<b>+13.69%</b>	<b>+17.23%</b>	<b>+24.08%</b>

**TOP 10 HOLDINGS**

	Weighting	
	Net assets	% VNI
Gemadep (GMD)	9.48	21.10
<b>Sacom Cable (SAM)</b>	<b>8.63</b>	<b>14.28</b>
Vinamilk	8.21	N/A
Southern Seed (SSC)	5.61	5.33
<b>REE (REE)</b>	<b>4.92</b>	<b>15.63</b>
Hoa An (DHA)	4.46	2.96
<b>CT 620 Concrete (BT6)</b>	<b>3.80</b>	<b>2.84</b>
<b>Transimex (TMS)</b>	<b>3.63</b>	<b>2.21</b>
<b>Savimex (SAV)</b>	<b>3.61</b>	<b>2.84</b>
<b>Bibica (BBC)</b>	<b>3.38</b>	<b>2.15</b>

*Stocks in blue are at the current 30% foreign limit*

**INVESTMENT COMMENT**

During September the Fund's net asset value per share rose by 7.95% compared to the Viet Nam Index (VNI) gain of 13.69%. The Fund's equity holdings as a percentage of Net Assets increased from 66.5% at the end of August 2005 to 70.6% as at 30 September 2005.

**A NOTE ON PERFORMANCE** or, more precisely, an explanation of the relative lack thereof in September, in response to the description of same as "terrible" by certain shareholder(s). The Net Asset Values of the other main Vietnam funds, Vietnam Enterprise Investments ("VEIL"), Vietnam Growth Fund ("VGF"), and Vietnam Opportunity Fund ("VOF") respectively improved by 6.8%, 6.02% and 4.51% during September.

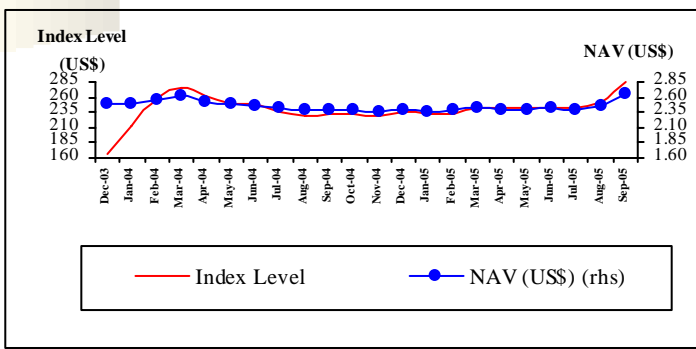
The top-3 stocks by market capitalisation, namely Gemadep, REE and Sacom Cable, together represent roughly 51% of the total index. Since the Fund's investment restrictions preclude holdings in excess of 10% of net assets, performance will naturally suffer by comparison when those stocks lead gainers. REE, in which we are prevented from holding a full weighting by its current lack of availability to foreigners, was responsible for approximately 4.3% of the index gain in September.

The table below lists the top-10 performers during the month of September. Interestingly, given the weight accorded to the impending loosening of restrictions for the market's strength, the stocks which are currently at the 30% foreign ownership limit are again under-represented. We expect this anomaly to be rectified in the run-up to the effective date of the increase on 24 October 2005.

We would also take this opportunity to remind Shareholders that it is the Fund's practice not to write-up the value of pre-listing investments from cost until such time as they list. The OTC market price of Vinamilk is reportedly 40% higher than the Fund's entry price.

	September Gain %
<b>Bibica*</b>	29.76
REE	27.76
North Kinh Do	23.80
Canfooco**	22.22
Southern Seed	19.14
<b>Hoa An*</b>	18.56
Lafooco**	16.85
Agifish	16.03
Saigon Hotel**	15.59
Hanoi Marina	14.49

\* Fund owns 10% of issued shares  
\*\* Market cap < US\$ 5 million



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