

**PXP Vietnam Fund Limited**

A Cayman-domiciled closed-end fund listed in Ireland. The investment objective of the Company is to seek long-term capital appreciation of its assets by investing in a portfolio of the equity securities of Vietnamese companies.

**Summary**

- I• Fund details
- II• Top 10 holdings
- III• Investment comment
- IV• PXPVF Portfolio

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**I• Fund details**

<b>Launch Date</b>	31 December 2003		
<b>Issue Price</b>	US\$ 2.50		
<b>NAV per share</b>	<b>US\$ 3.097</b> as at 29 April 2009		
<b>Number of shares in issue</b>	12,000,000		
<b>Fund size</b>	US\$ 37.16 million		
<b>Number of holdings</b>	Listed: 34 Pre-Listed: 5		
<b>Performance</b>	<b>1 month</b>	<b>1 Year</b>	<b>2 Years</b>
<b>PXPVF*</b>	<b>+18.61%</b>	<b>-42.27%</b>	<b>-67.76%</b>
<b>VNI**</b>	<b>+14.68%</b>	<b>-44.18%</b>	<b>-68.43%</b>
<b>Performance</b>	<b>3 years</b>	<b>4 years</b>	<b>5 years</b>
<b>PXPVF*</b>	<b>-38.86%</b>	<b>+28.83%</b>	<b>+22.46%</b>
<b>VNI**</b>	<b>-51.58%</b>	<b>+16.25%</b>	<b>+7.50%</b>

\* All figures are NET of fees \*\* Index performance in US\$

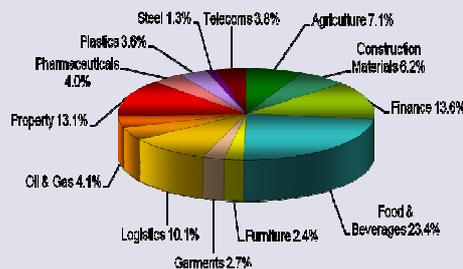
**II• Top 10 holdings**

	% of Net assets
<b>Vinamilk (VNM)</b>	15.5
<b>Sacombank (STB)</b>	11.4
<b>REE (REE)</b>	10.1
<b>Gemadept (GMD)</b>	5.7
<b>PetroVietnam Drilling (PVD)</b>	3.9
<b>Sacom Cable (SAM)</b>	3.6
<b>Bimico KSB*</b>	3.4
<b>Binh Minh Plastics (BMP)</b>	3.4
<b>Transimex (TMS)</b>	3.1
<b>Southern Seed Corp (SSC)</b>	2.9

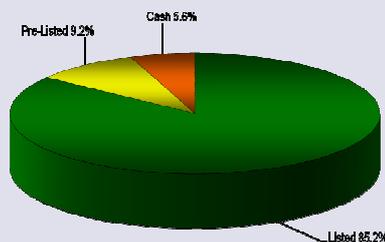
\* Pre-listed holding

**IV• PXPVF portfolio**

**Sectoral Breakdown** (as at 29 April 2009)



**Segments** (as at 29 April 2009)



**III• Investment comment**

The Viet Nam Index (“VNI”) has, at the time of writing, surpassed our year-end target of 425 points, albeit by the 3<sup>rd</sup> tiniest of margins at today’s close. So now what? According to the chartists the short-term target is in a range of 460 to 480 depending on one’s particular stylistic reading of the tea leaves. From our perspective any rise from here presents further opportunity to ease out of non-core positions with a view to rebalancing on weakness, and we anticipate raising cash levels into the teens over the coming days. Whilst we accept, even laud the market’s willingness to accentuate the positive on vastly improved turnover we do not feel that we are out of the woods yet and given a rally from the bottom in excess of 80% in a virtual straight line, raising the index’s historical price / earnings ratio close to 15 times in the process, we anticipate the taking of an overdue breather before too long. We are also a little concerned about the quality of almost US\$ 100 million worth of daily turnover in a market that only 3 months ago was struggling to generate a tenth of that. Foreigners are contributing on average about 5 to 7% of activity which leaves domestic players as the driving force, and rumours of narrowly-based onshore financial institutional accumulation give us some cause for concern once the music stops.

Recent macro-economic data releases confirm that last year’s inflation and trade gap-related concerns have abated with May 2009 year-on-year CPI up a relatively benign 5.6% and the trade deficit for the first 5 months down 91.7% from the same period last year to a mere US\$ 1.13 billion. At least in Vietnam we have some evidence of “green shoots” and an expected improvement in 2<sup>nd</sup> quarter GDP growth should ensure that any pull-back is not too severe.

At the risk of boring our gentle reader with a surfeit of self-congratulatory tosh, we would draw his or her momentary attention to performance figures at left and trust that we are beginning to restore a measure of confidence in our ability to stay ahead of the benchmark in the longer term after an abysmal 2008.

We find it virtually impossible to stay current with the Shareholder Register, dominated as it is by Euroclear-registered holdings, and would take this opportunity to request that all Shareholders who wish to secure direct and efficient correspondence on matters pertaining to the future direction of the Fund reveal themselves to us at their earliest convenience (in strictest confidence, of course) in order that we might engage in regular dialogue and to ensure that we do not overlook face-to-face meetings on our forthcoming roadshow, to be organised for no later than mid-September.