

A Cayman-domiciled mutual fund with monthly liquidity. 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 companies with a significant presence in Vietnam.

### Fund Directors

**Mr. Christopher Vale**

(Non-Executive Director)

**Mr. Antony Jordan**

(Non-Executive Director)

**Mr. Brook Tellwright**

(Non-Executive Director)

### Portfolio Manager

**Kevin Snowball**

### Administrator

HSBC Trustee (Cayman) Limited

### Custodian

HSBC Institutional Trust Services (Asia) Limited

### Auditor

PricewaterhouseCoopers  
Cayman Islands

### Subscriptions & Redemptions

**Dealing Day:** The 1st business day in each month

**Subscriptions:** 2 business days notice

**Redemptions:** 30 business days notice

### Management fee

2% per annum, reduced to 1.5% per annum from 1 Jan 2015

### Performance fee

20% over 8% per annum (with high water mark), reduced to 15% over 8% per annum (with high water mark) from 1 Jan 2015

### Redemption fee

3% within first 12 months, 1% thereafter

For further details please refer to the Fund's Prospectus via [www.pxpm.com](http://www.pxpm.com)

**PXP** Vietnam Asset Management

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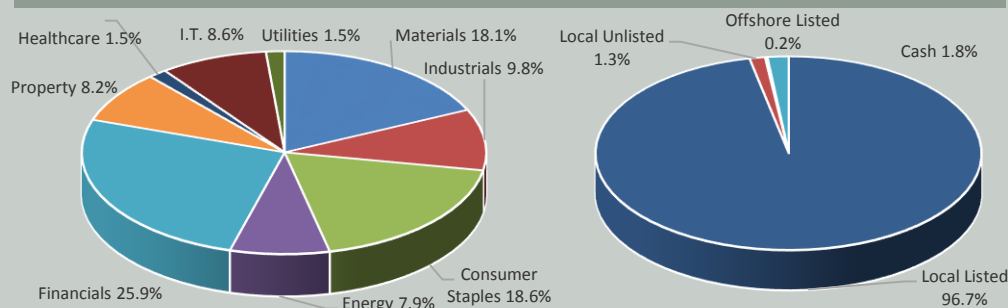
### Fund NAV

Launch Date	3 November 2005
Issue Price	US\$ 5.000
NAV per share (Lead Series)	<b>US\$ 6.695</b> at 30 September 2014
Number of Shares in issue	5,952,473
Fund size	US\$ 41.8 million
Number of Holdings	Listed: 29 Unlisted: 3
Bloomberg Ticker	PXPVEEF KY
ISIN	KYG 936101065
FATCA GIIN	GI1WDZ.99999.SL.136

### Top 10 Holdings

(as at 30 September 2014)	% of net assets
Vinamilk (VNM)	16.5
Hoa Phat Group (HPG)	13.0
HCMC Securities (HCM)	12.4
FPT Corporation (FPT)	8.5
PetroVietnam Drilling (PVD)	7.9
Sacombank (STB)	6.9
Hoang Anh Gia Lai (HAG)	4.8
Dong Phu Rubber (DPR)	3.6
Danang Rubber (DRC)	3.5
Military Bank (MBB)	2.8

### Portfolio Breakdown



### NAV Performance: Rolling

	VEEF *	Viet Nam Index**
Sept. 2014	<b>-1.03%</b>	<b>-5.99%</b>
1 year	<b>+30.92%</b>	<b>+21.04%</b>
2 years	<b>+73.27%</b>	<b>+49.97%</b>
3 years	<b>+75.03%</b>	<b>+37.53%</b>
4 years	<b>+39.16%</b>	<b>+20.97%</b>
5 years	<b>+3.05%</b>	<b>-13.29%</b>
6 years	<b>+41.75%</b>	<b>+2.62%</b>
7 years	<b>-46.04%</b>	<b>-56.62%</b>
8 years	<b>-6.73%</b>	<b>-13.94%</b>
Inception	<b>+33.90%</b>	<b>+39.15%</b>

### NAV Performance: Calendar

	VEEF *	Viet Nam Index**
YTD	<b>+23.94%</b>	<b>+17.94%</b>
2013	<b>+30.58%</b>	<b>+20.47%</b>
2012	<b>+24.91%</b>	<b>+18.89%</b>
2011	<b>-30.58%</b>	<b>-32.76%</b>
2010	<b>-15.56%</b>	<b>-7.16%</b>
2009	<b>+82.43%</b>	<b>+48.31%</b>
2008	<b>-73.59%</b>	<b>-68.81%</b>
2007	<b>+24.68%</b>	<b>+23.61%</b>
2006	<b>+87.37%</b>	<b>+142.38%</b>

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

### Manager's Commentary

Whilst some commentators seem keen to debate the merits of Vietnam's possible accession to emerging market status, we take a different view since we don't think there are any. The overdue & crucial (to the development of the market) relaxation of foreign ownership limits has seemingly been removed from the agenda over the past few months. Our opinion is that their inclusion in the EM qualifications is a clever tactic by the regulator to restart the discussion. One of our brokers told us that the move is being obstructed by certain cabinet members because "the market is too low & we don't want to sell our assets too cheap." We suspect that this insight comes from the same block (sic) who think there is going to be a queue to buy Vietnam Airlines at 100 times earnings.

Whilst we are absolutely of the view that the ministers in charge of, for example, growing rice & keeping the streets clean do an excellent job under very trying circumstances, we do not believe that they should necessarily have the capacity to interfere with the recommendations of those whose job involves the operation, supervision & development of a stock market. Not up to us either, but we do have a picture of a chicken & one of an egg if anyone needs to see them to understand how higher limits might help.

### Vietnam Macro Latest Releases

	2013	YTD
GDP Growth y/y *	5.42%	5.62%
Trade surplus / (deficit) **	US\$870m	US\$2.5bn
CPI Annualised **	6.04%	3.62%
	<b>Latest</b>	
Vietnam Dong / USD **	21,209	
HSBC PMI **	51.7	
Disbursed FDI y/y *	4.5%	

Source: GSO, Customs Office & Bloomberg

\* Latest quarterly data

\*\* Latest monthly data