



A Cayman-domiciled mutual fund with twice-monthly liquidity. The investment objective of the Fund 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. Philip Smiley

(Non-Executive Chairman)

Mr. Antony Jordan

(Non-Executive Director)

Ms. Trinh Thanh Mai

(Non-Executive Director)

Mr. Simon Raybould

(Non-Executive Director)

Mr. Christopher Vale

(Non-Executive Director)

Portfolio Manager

Kevin Snowball

Administrator

Apex Fund Services Ltd.

Custodian

DBS Bank Ltd., Hong Kong Branch

Auditor

Ernst & Young Ltd., Cayman Islands

Liquidity & Fees

Dealing Day: The 1st business day and 15th calendar day in each month

Subscriptions: 2 business days notice

Redemptions: 10 business days notice

Management fee: 1.5% per annum

Performance fee: 15% over 8% per annum with high water mark

Redemption fee: 1% redemption fee, payable to the Fund

For further details please refer to the Fund's Prospectus via www.pxpvietnam.com

XPX Vietnam Asset Management

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Fund NAV

Launch Date 3 November 2005
Issue Price US\$ 5.000

NAV per share At 29 September 2017

Lead Series US\$ 9.151
Series 1A & 1B US\$ 9.811
Series 28 US\$ 9.203
Series 29 US\$ 9.253
Series 30 US\$ 9.335
Series 31 US\$ 9.330
Series 32 US\$ 9.277
Series 33 US\$ 9.176
Series 34 US\$ 9.194
Series 35 US\$ 9.401
Series 36 US\$ 9.402

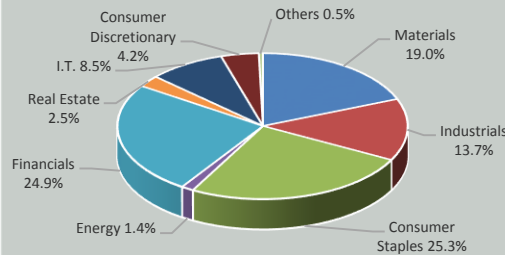
Fund Size US\$ 144.2 mn (29 Sep 2017)

ISIN (Lead Series) KYG7306V1005
FATCA GIIN GI1WDZ.99999.SL.136

Top 10 Holdings

(as at 29 September 2017)	% of net assets
Vinamilk (VNM)	25.0
Hoa Phat Group (HPG)	15.6
HCMC Securities (HCM)	11.5
FPT Corporation (FPT)	8.7
CotecCons (CTD)	6.3
REE Corporation (REE)	3.5
Danang Rubber (DRC)	3.4
VN Container Shipping (VSC)	3.3
VNDIRECT Securities (VND)	3.2
Military Commercial Bank (MBB)	2.5
Number of Holdings	Listed: 31 Unlisted: 3

Portfolio Breakdown



NAV Performance: Rolling

	XPX VEEF *	Viet Nam Index**
Sep 2017	+2.42%	+2.73%
1 year	+15.05%	+15.06%
2 years	+48.03%	+41.36%
3 years	+36.68%	+25.32%
4 years	+78.94%	+51.68%
5 years	+136.83%	+87.95%
6 years	+139.24%	+72.36%
7 years	+90.21%	+51.60%
8 years	+40.85%	+8.67%
9 years	+93.75%	+28.61%
10 years	-26.25%	-45.63%
11 years	+27.49%	+7.85%
Inception	+83.02%	+74.39%

NAV Performance: Calendar

	XPX VEEF *	Viet Nam Index**
YTD	+25.53%	+21.18%
2016	+11.62%	+13.39%
2015	+7.26%	+0.91%
2014	+12.72%	+6.61%
2013	+30.58%	+20.47%
2012	+24.91%	+18.89%
2011	-30.58%	-32.76%
2010	-15.56%	-7.16%
2009	+82.43%	+48.31%
2008	-73.59%	-68.81%
2007	+24.68%	+23.61%
2006	+87.37%	+142.38%

* All figures are NET of fees ** Index performance in US\$
All performance data as at 29 September 2017

Manager's Commentary

The Vietnamese economy continues to power ahead with the achievement of the 6.7% GDP growth target for 2017 now seemingly a mere formality after third quarter growth hit 7.46%. A September trade surplus of US\$ 1.1 billion on exports up 20% YOY for the first 9 months moves the balance into surplus YTD and with foreign exchange reserves at an all time high, moderate inflation and a stable currency, everything seems rosy.

We would at this point, however, introduce a tiny caveat for those who think that Vietnam's stock market is maturing at a similar rate and is primed to reflect all of that, particularly when robust earnings growth for the next couple of years is added to the mix. Unfortunately, the odd maverick (and I use that term euphemistically; pick your own noun) occasionally comes along and threatens the reputation of the market by subjugating the interests of shareholders as a whole to his own ludicrous agenda. Take a bow, Mr Duong Cong Minh, the recently appointed CEO of Sacombank (STB), who has reportedly decided that the company should be delisted from the Saigon exchange and relisted in Hanoi a couple of months later because the current ticker can be interpreted to mean "very bad star" in Vietnamese and is therefore bad feng shui. So the poor performance of the bank has nothing to do with historic mismanagement, poor lending policies and appalling risk management; it is all explained by bad karma and everything will be fixed by just changing the ticker. In the meantime, the price will continue to weaken as those who can't hold unlisted (however briefly) stocks, such as the ETFs, sell and no doubt Mr Duong would add to his holding at a significant discount to the current price if his cunning plan succeeds.

No company has ever in the (admittedly short) history of Vietnam's exchanges voluntarily moved its listing from Saigon to Hanoi and a vote will be needed. We can only hope that the 30% of shares under the control of the State Bank as a result of the practices described above will not be employed to encourage such a travesty. We are voting with our feet.

Vietnam Macro Latest Releases

	2016	YTD
GDP Growth y/y**	6.21%	6.41%
Trade surplus / (deficit)*	US\$2.6bn	US\$0.3bn
CPI y/y*	4.74%	3.40%

	Latest
Vietnam Dong / USD *	22,735
Nikkei PMI *	53.3
Disbursed FDI y/y **	13.4%

Source: GSO, Customs Office & Bloomberg
* Latest monthly data ** Latest quarterly data