



A Cayman-domiciled mutual fund with 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 smaller Vietnamese companies with a market capitalisation of US\$ 20 million to US\$ 250 million.

Fund Directors

Mr. Christopher Vale

(Non-Executive Director)

Ms. Rachel Provost

(Non-Executive Director)

Portfolio Managers

Chi Nguyen

Lawrence Brader

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 in each month

Subscriptions: 2 business days notice

Redemptions: 3 months notice

Management fee: 1.5% p.a.

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

Redemption fee: 3% within first 12 months, 1% thereafter payable to the Fund

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

PXP Vietnam Asset Management

Vietnam Representative Office

6th Floor, Opera View Building

161 Dong Khoi Street, District 1

Ho Chi Minh City, Vietnam

Tel No. +(84) 28 3827 6040

Fax No. +(84) 28 3827 6043

IR@pxpvietnam.com

www.pxpvietnam.com

Fund NAV

Launch Date 8 December 2015
Issue Price US\$ 2.50

NAV per share At 31 May 2018
Lead Series 3.164
Series 12 3.164
Series 13 3.164

Fund Size US\$ 10.6mn (31 May 2018)

ISIN (Lead Series) KYG7307A1058

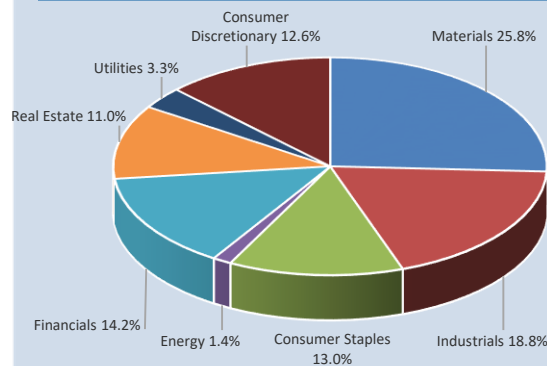
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Number of Holdings Listed: 26

Top 10 Holdings

(as at 31 May 2018)	% of assets
Vinh Hoan Corporation (VHC)	11.5
Dong Hai Corporation (DHC)	11.2
HCMC Securities (HCM)	10.6
Power Construction No.1 (PC1)	8.4
Nam Long Group (NLG)	7.4
Phu Tai Corporation (PTB)	5.5
Taseco Air Services (AST)	3.9
Ba Ria - Vung Tau House Devel. (HDC)	3.6
Danang Rubber (DRC)	3.4
Duc Thanh Wood Processing (GDT)	3.4

Portfolio Breakdown



NAV Performance: Rolling

	PXP VSCF *	VNMidcap Index**
May 2018	-9.16%	-7.40%
1 Year	+2.96%	-1.43%
2 Years	+15.18%	+23.45%
Inception	+25.56%	+33.26%

Manager's Commentary

Optimism expressed in last month's newsletter was shown to be somewhat early in retrospect with the NAV of the Fund declining by 13.0% to its low during May, before a partial recovery to close the month down by 9.2%. The domestic reasons for the decline were an amalgamation of those cited in May but primarily local selling across the market amid foreign selling and the liquidity-drains of Techcombank and Vinhomes IPOs, and that selling triggering margin calls. Foreigners net bought \$982mn in Vietnamese equities in May, but that becomes net selling of \$265mn if Vinhomes is excluded. Overseas events added to the selling as seen in various emerging markets as the prospect of higher US interest rates, trade-barriers and elections in Europe increased risk-aversion. Volatility on an individual stock basis has been dramatic, and the recovery through June so far has been equally sharp. The NAV has risen by 10.0% from the recent low on 28th May to 6th June. The macroeconomic picture is strong although we note an uptick in CPI to 3.86% y/y in May driven by higher energy and food costs. Manufacturing is robust evidenced by a PMI of 53.9 despite slower growth in FDI so far this year. We added to six existing holdings in May and the Fund increased in size through subscriptions to \$15.7mn on 1st June.

NAV Performance: Calendar

	PXP VSCF *	VNMidcap Index**
YTD	-7.65%	-7.29%
2017	+21.49%	+33.47%
2016	+13.44%	+6.89%
2015	-0.56%	+0.76%

* All figures are NET of fees ** Index performance in US\$
All performance data as at 31 May 2018

Vietnam Macro Latest Releases

	2017	YTD
GDP Growth y/y**	6.81%	7.38%
Trade surplus / (deficit)*	US\$2.9bn	US\$3.4bn
CPI y/y*	2.60%	3.86%

Latest	
Vietnam Dong / USD *	22,795
Nikkei PMI *	53.9
Disbursed FDI y/y **	7.2%

Source: GSO, Customs Office & Bloomberg

* Latest monthly data ** Latest quarterly data