



A Cayman-domiciled mutual fund with twice-monthly liquidity. The primary 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 Vietnamese companies.

### Fund NAV

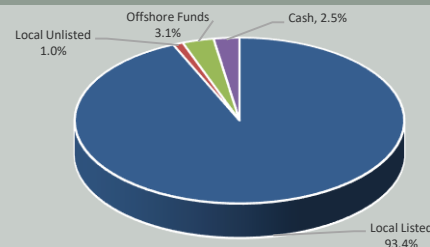
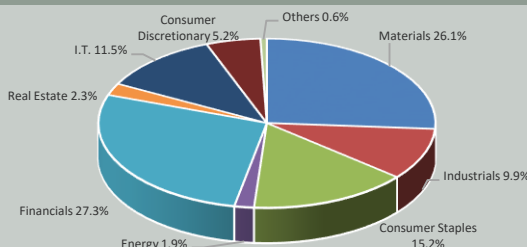
Launch Date	3 November 2005
Issue Price	US\$ 5.000
<b>NAV per share At 31 August 2018</b>	
Series 1 (Lead Series)	US\$ 10.498
Series 1A	US\$ 11.511
Series 1B	US\$ 11.510
Series 39, 40, 42	US\$ 10.498
Series 41	US\$ 10.499
Series 43	US\$ 10.478
Series 44	US\$ 10.356
Series 45	US\$ 10.432
Series 46	US\$ 10.460

Fund Size	US\$ 110.5mn (31 Aug 18)
ISIN (Lead Series)	KYG7306V1005
FATCA GIIN	G11WZD.99999.SL.136
Number of Holdings	Listed: 21 ; Unlisted: 3

### Top 10 Holdings

(as at 31 August 2018)	% of assets
Hoa Phat Group (HPG)	21.2
HCMC Securities (HCM)	18.7
Vinamilk (VNM)	14.8
FPT Corporation (FPT)	11.2
CotecCons (CTD)	5.5
Danang Rubber (DRC)	4.7
Vietnam Container Shipping (VSC)	3.3
PXP Vietnam Smaller Companies Fund	3.1
Viet Capital Securities (VCI)	2.5
Nui Nho Corporation (NNC)	2.4

### Portfolio Breakdown



### NAV Performance: Rolling

	PXP VEEF *	Viet Nam Index**
Aug 2018	+5.05%	+3.42%
1 year	+17.49%	+23.36%
2 years	+31.65%	+40.48%
3 years	+68.64%	+69.14%
4 years	+55.18%	+41.48%
5 years	+116.19%	+89.74%
6 years	+161.53%	+123.10%
7 years	+169.32%	+108.40%
8 years	+119.39%	+81.97%
9 years	+80.07%	+38.49%
10 years	+87.83%	+30.24%
11 years	-6.83%	-24.04%
12 years	+53.97%	+38.52%
Inception	+109.96%	+109.41%

### NAV Performance: Calendar

	PXP VEEF *	Viet Nam Index**
YTD	-5.07%	-1.97%
2017	+51.70%	+48.43%
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 31 August 2018

### Manager's Commentary

In the previous Newsletter we predicted that a VNI close above 1,000 would catalyse a year-end rally absent external factors. Four weeks later, having got within 2 points of it, we are still waiting for the magical number to be breached, and so we would like to reaffirm that belief (which should be justified as soon as this week) and to outline our expectations beyond 2018.

When foreign investors are quiet in this market local technicians tend to hold sway and VNI direction is determined by sorcery. Once the tide of net offshore activity turns in a meaningful way the charts go out the window until that is no longer the case.

From the peak in April to the low in mid-July foreigners were consistent net sellers. For a few weeks thereafter until someone rashly uttered the word "contagion" net flows were mildly positive & the index went higher. We had a single day last week with net inflows of US\$ 20 million as our more sanguine views on the local impact of trade wars and emerging market false equivalence began to gain traction. A couple more days like that should see us safely above the 1,000 level and beyond & we can start to focus on what the passing of a new Securities Law early next year might mean for Vietnam's chances of inclusion on the MSCI EMI watchlist in June 2019. A positive verdict should see the VNI at 1,500 by late 2020.

### Vietnam Macro Latest Releases

	2017	YTD
GDP Growth y/y**	6.81%	7.08%
Trade surplus*	US\$2.9bn	US\$2.8bn
CPI y/y*	2.60%	3.98%

	Latest
Vietnam Dong / USD *	23,290
Nikkei PMI *	53.7
Disbursed FDI y/y *	9.2%

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