

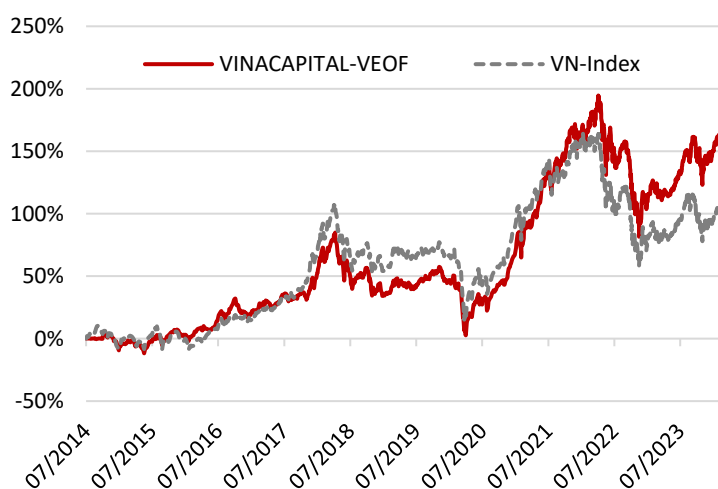
VINACAPITAL-VEOF

Investment approach

The fund applies active investment strategy and bottom-up stock selection, concentrates on high-conviction stocks through a deep dive research and analysis.

The fund mainly invests in large and mid-cap stocks which are industry leaders or differentiate in competitive advantages, have growth potential and are being undervalued.

NAV growth since inception



The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your fund units. Current performance may be higher or lower than the performance data quoted.

Fund performance

VINACAPITAL-VEOF VN-Index

Total AUM (VND billion)	737.7	
NAV/Share (VND)	26,046.8	
Jan 2024 return (%)	4.1	3.0
YTD 2024 return (%)	4.1	3.0
3-year annualized return (%)	15.4	3.3
Annualized return since inception (%)	10.5	7.6
Cumulative return since inception (%)	160.5	101.4

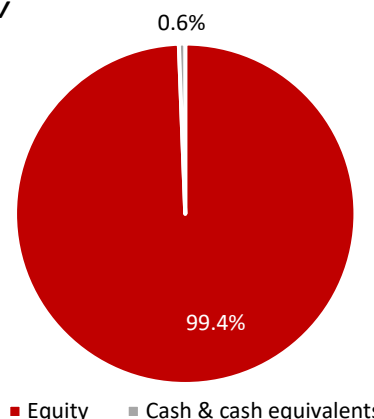
(The NAV is net of management fee and administrative expenses)

Investor Relations: irwm@vinacapital.com

Tel: +84 28 38 27 85 35

Investment allocation

% Total NAV



Fund information

Inception	1/7/2014
Management fee	1.75% per annum
Subscription fee	0.0%
Redemption fee	2.0% < 12 months
	1.5% >= 12 months
	0.5% >= 24 months
PIT	0.1%
Custodian and Supervisory Bank	Standard Chartered Bank Ltd. (Viet Nam)
Auditor	PwC Vietnam
Trading frequency	Daily, from Monday to Friday
Benchmark	VN-Index

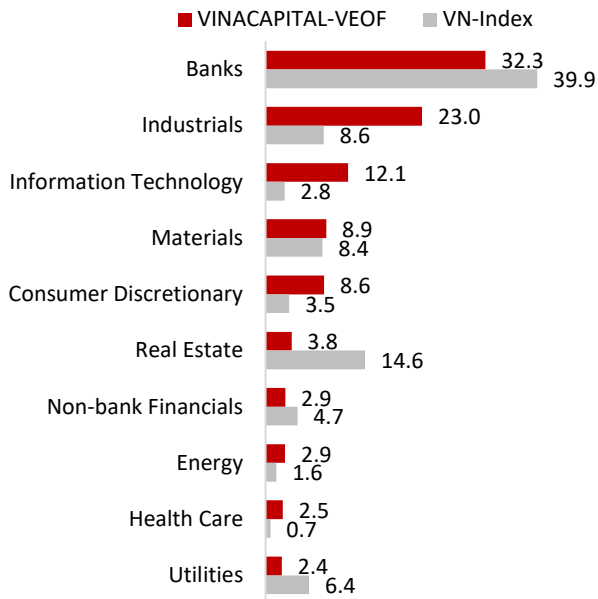
Portfolio statistics

	VINACAPITAL-VEOF	VN-Index
2024 P/E (x)	10.2	10.0
2024 P/B (x)	2.1	1.5
2024 ROE (%)	17.9	14.9
Dividend yield (%)	2.5	2.9
Portfolio turnover (%)	60.4	-
Sharpe ratio	0.3	0.2
No. of equities	28	417

Source: Bloomberg, VinaCapital's forecast

Sector allocation

% Total NAV



Top holdings

Stock	Sector	% NAV
FPT	Information Technology	12.1
VCB	Banks	9.0
MBB	Banks	7.7
ACB	Banks	6.7
PNJ	Consumer Discretionary	4.9
BID	Banks	4.6
STB	Banks	4.2
NTC	Industrials	4.0
MWG	Consumer Discretionary	3.7
CTR	Industrials	3.1

Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	0.0%	5.1%	3.3%	-6.0%	-4.1%	-4.7%	-1.3%	5.2%	-10.1%	-10.2%	0.8%	-0.1%	-21.2%
2023	7.8%	-5.3%	1.2%	-0.2%	3.0%	4.2%	8.2%	2.1%	-3.1%	-9.9%	8.5%	3.4%	19.5%
2024	4.1%												4.1%

Important information

The information contained herein has been prepared by VinaCapital Fund Management Joint Stock Company (the "Company") and is subject to updating, revision, further verification and amendment without notice.

The information does not constitute and/or form part of any offer for sale or solicitation of any offer to buy or subscribe for any securities nor shall they or any part of them form the basis of or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever. Forward-looking information is based on the estimates and/or opinions of the Company at the time the statements are made, and is therefore, of no obligation to be updated or corrected to changing circumstances.

Comments from fund manager

STOCK MARKET UPDATES

Vietnam's stock market has begun 2024 on a positive note. Following increases of 6.4% in November and 3.3% in December 2023, the VN-Index continued its upward trajectory with a 3.0% rise in January 2024.

As highlighted in last month's report, the Q4 2023 economic data further affirmed the economy's recovery momentum. Additionally, interest rates on bank deposits remain at historically low levels, while inflation and exchange rates remain relatively stable. The Government continues to implement supportive policies for businesses and public investment. In terms of credit growth, the State Bank of Vietnam has set a target of 15% from the outset of 2024. This differs from previous years when credit growth quotas were incrementally allocated throughout the year. This upfront allocation aims to facilitate credit institutions in meeting the capital demands for economic growth.

Global stock markets also exhibited positive trends, with the S&P 500 index consistently reaching new highs and posting a gain of 1.6% in January 2024.

In the domestic market, after nine consecutive months of net selling, foreign investors resumed net buying, totalling VND1.2 trillion in January 2024 across the combined three bourses. While foreign investors account for only 15% of the total market transaction value, their renewed interest has bolstered domestic investors' confidence in the stock market's prospects for 2024.

Listed companies have announced their full-year 2023 business results. The aggregate profit of businesses on the combined three bourses decreased by 4.6% compared to 2022. Sectors such as Banking and Financials, Industrials (primarily seaport and aviation businesses, and Information Technology saw profit growth, while the Real Estate and Consumer Goods sectors experienced declines in 2023 profits.

However, focusing on Q4 2023 alone, the total profit of listed companies increased by 4.4% QoQ and surged by 32.2 YoY, indicating an overall recovery phase for listed companies.

FUND UPDATE AND INVESTMENT OUTLOOK

In January 2024, the net asset value per share of VINACAPITAL-VEOF surged by 4.1%, surpassing the VN-Index by 1%. Among the fund's top 10 holdings, eight stocks outperformed the VN-Index. Banking stocks performed exceptionally well in January 2024. Despite a downturn in listed companies' performances in 2023 (with aggregate profit declining by 4.6% YoY, as previously mentioned), the banks held by VINACAPITAL-VEOF saw profit growth ranging from 10% to 53% in 2023. These banks maintained strict control over lending to risky sectors, demonstrated stable asset quality, and improved NPL metrics in Q4 2023.

The share price of PNJ saw a 6.4% increase in January 2024. While most consumer goods businesses experienced a downturn in 2023, PNJ achieved better-than-expected results, attributable to an effective strategy to expand market share in the jewelry segment. PNJ's profit grew by 35% and 9% in Q4 2023 and the full year 2023, reaching VND632 billion and VND1,971 billion, respectively.

Among smaller stocks, the industrial park group, including NTC, IDC, and SZC, stood out with gains of 5% to 7% in January 2024, driven by optimism surrounding Vietnam's capacity to continue to attract foreign direct investment (FDI). Total registered FDI in Vietnam surged by 32% in 2023 to reach USD36.6 billion in 2023 and increased 40% YoY to reach USD2.3 billion in January 2024.

Based on recent macroeconomic data and the business trends of listed companies, we maintain a positive outlook for Vietnam's stock market in 2024. The potential for higher valuations is strong given the P/E ratio of approximately 10x at the end of January 2024, the recovery trend of listed enterprises, as well as persistently low interest rates.