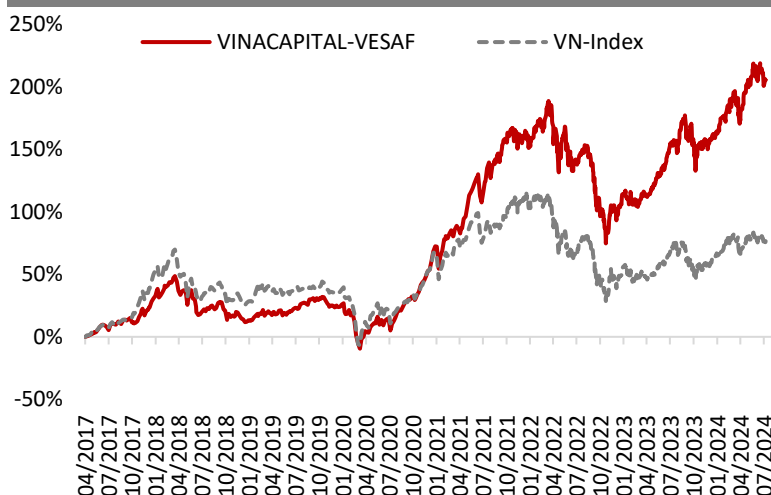


VINACAPITAL-VESAF

Investment approach

Invest in all equity opportunities unencumbered by foreign restriction or size. The strategy of the fund is to take meaningful stakes in companies with a robust franchise that we believe can benefit from the domestic growth of the country.

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-VESAF	VN-Index
Total AUM (VND billion)	2,304.2	
NAV/Share (VND)	30,514.9	
Jul 2024 return (%)	0.2	0.5
YTD 2024 return (%)	18.1	10.8
3-year annualized return (% P.A.)	10.9	(1.5)
5-year annualized return (% P.A.)	20.1	4.8
Annualized return since inception (% P.A.)	16.6	8.1
Cumulative return since inception (%)	205.1	76.4

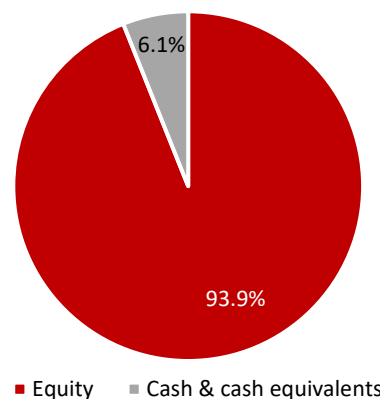
(The NAV is net of management fee and administrative expenses)

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Investment allocation

% Total NAV



Fund information

Inception	18/04/2017
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. (Vietnam)
Auditor	PwC Vietnam
Trading frequency	Daily, From Monday to Friday
Benchmark	VN-Index

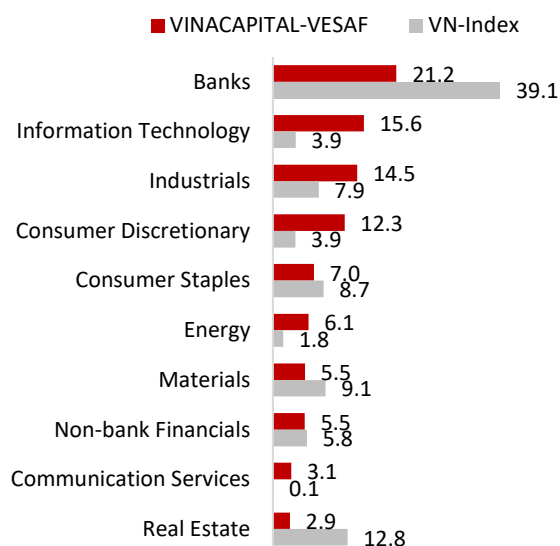
Portfolio statistics

	VINACAPITAL-VESAF	VN-Index
2024 P/E (x)	11.1	11.8
2024 P/B (x)	2.6	1.6
2024 ROE (%)	23.8	13.5
Dividend yield (%)	2.6	2.7
Portfolio turnover 12M (%)	20.8	-
Sharpe ratio	0.6	0.2
No. of equities	27	403

Source: Bloomberg, VinaCapital's forecast

## Sector allocation

## % Total NAV



## Top holdings

Equity	Sector	% NAV
FPT	Information Technology	15.6
MBB	Banks	9.9
ACB	Banks	4.6
MWG	Consumer Discretionary	4.6
PTB	Consumer Discretionary	4.2
PVS	Energy	3.7
FMC	Consumer Staples	3.6
PNJ	Consumer Discretionary	3.5
DPR	Materials	3.4
QNS	Consumer Staples	3.4

## Comments from fund manager

## MARKET UPDATE

In July 2024, the VN Index increased by 0.5% to 1,251.5, bringing its year-to-date (YTD) return to 10.8%. Market liquidity fell to a six-month low, with average daily trading value reaching VND 19.4 trillion, down 27% MoM. Foreign investors continued to net sell VND 8.3 trillion across the combined three bourses, bringing the 7M24 net sell value to VND 60.9 trillion.

Amidst low liquidity and global macro uncertainties, July was a volatile month for stock markets around the world. US, Japanese, and European stock indices all fell sharply during the month as the Bank of Japan (BOJ) unexpectedly raised interest rates, causing the unwinding of carry trade positions. At the same time, the US July job report disappointed, with weaker-than-expected data.

A positive highlight for Vietnam's stock market last month was the announcement of listed companies' Q2/2024 business results, which confirmed the economy's recovery trend. Aggregate Q2 net profit of companies listed on the combined three bourses advanced by 21% YoY. The three sectors with the strongest Q2 profit growth included Materials (+76% YoY, mainly from steel and fertilizer companies), Consumer Discretionary (+73% YoY, mainly from retail companies), and Industrials (+47% YoY, mainly from aviation companies), on the back of the low base in Q2/2023. The Banking sector also achieved 20% YoY profit growth in Q2. On the other hand, the Real Estate sector recorded a Q2 profit decrease of 18% YoY.

Macroeconomic data in July continued to indicate a positive growth trend. The production index of the processing and manufacturing industry increased by 13.3% YoY, bringing the 7M24 growth to 9.5%. The Purchasing Managers' Index (PMI) remained above 50, reaching 54.7 in July, with production output and new orders continuing to grow strongly. Exchange rate pressure has eased thanks to expectations that the US Federal Reserve (Fed) will cut interest rates soon. The USD/VND exchange rate decreased by 0.8% in July to 25,250 VND/USD.

## FUND UPDATE AND INVESTMENT OUTLOOK

Despite the volatility seen during July, the NAV per share of VINACAPITAL-VESAF ended the month up 0.2%, as selling pressure was followed by a fairly strong rebound. Nevertheless, the profit-taking pressure on FPT (-1.5%), which returned 54% in 1H24, mainly led to the portfolio's underperformance (+0.2%) against the VN-Index (+0.5%) during July. On a YTD basis, VINACAPITAL-VESAF rose 18.1% compared to the VN-Index's 10.8% as of the end of July. As noted in our report last month, we are turning more positive on banks, in line with the expected recovery of the economy in 2H24. However, we remain selective. We have added Asia Commercial Bank (ACB) to our portfolio, and it is now our third-largest position. ACB has always been known for its conservative focus on maintaining strong asset quality compared with peers. However, we are also encouraged by their recent growth and digitalization initiatives. Despite challenges in the banking sector in 1H24, ACB managed to achieve strong credit growth of 12.8% YTD, far exceeding the 6% of the overall banking system. Furthermore, the growth was well balanced between retailing lending (+12% YTD) and business lending (+12% YTD), the latter driven by loans to industry-leading corporates. This is backed by competitive lending rates (as reflected by its reasonable asset yields), while its liquidity profile (as reflected by its loan-to-deposit ratio) is well managed, compared with peers.

Having set a budget of about VND1,000bn per year for digital transformation, ACB has been investing in data infrastructure, information security, and RPA - Robotic Process Automation (using robot technology to support the automation of repetitive tasks). In addition, the bank has chosen FPT's akaBot solution to integrate technologies such as artificial intelligence (AI) and intelligent data processing (IDP) to adapt to continuous changes to meet customer requirements.

## Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-0.8%	4.9%	3.9%	-5.6%	-2.9%	-5.8%	-1.6%	5.5%	-10.2%	-11.3%	-1.8%	-0.1%	-24.4%
2023	9.9%	-5.2%	2.1%	1.8%	5.7%	3.5%	9.4%	3.8%	-1.2%	-11.2%	8.2%	2.5%	30.9%
2024	2.5%	5.7%	5.2%	-4.3%	6.9%	1.0%	0.2%						18.1%

## Important information

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