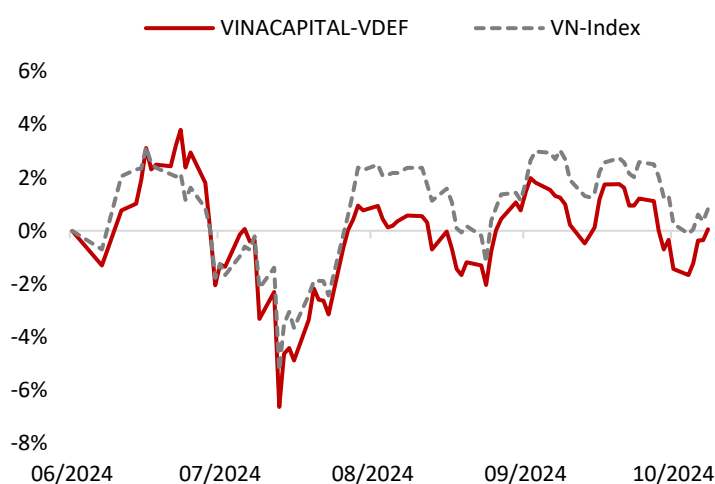


## VINACAPITAL-VDEF Investment approach

The fund applies active investment strategy and bottom-up stock selection through a deep dive research and analysis, concentrates on stocks which are expected to deliver consistent returns in the mid to long term with both capital gain and downside protection from stable dividends.

The fund mainly invests in listed companies that have sound fundamentals, strong financial positions and cash flows, as well as the ability to pay significant dividends over time.

## 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-VDEF	VN-Index
Total AUM (VND billion)	173.9	
NAV/Share (VND)	10,005.0	
Oct 2024 return (%)	(1.2)	(1.8)
YTD 2024 return (%)	-	-
3-year annualized return (% p.a.)	-	-
5-year annualized return (% p.a.)	-	-
Annualized return since inception (% p.a.)	-	-
Cumulative return since inception (%)	0.0	0.8

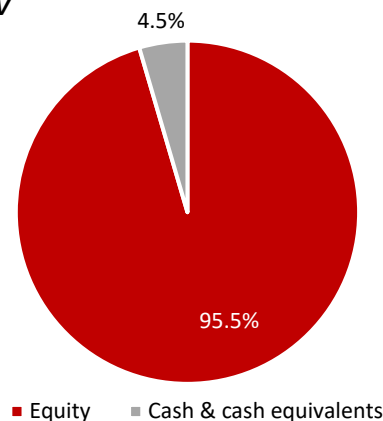
(The NAV is net of management fee and administrative expenses)

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## Investment allocation

### % Total NAV



## Fund information

Inception	24 Jun 2024
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

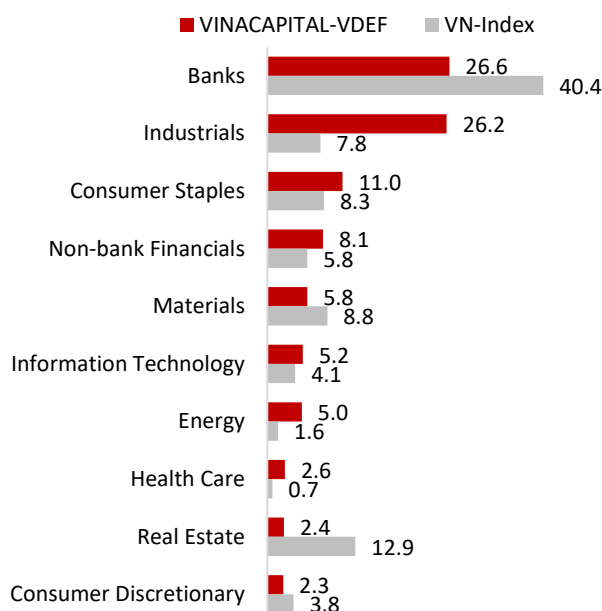
## Portfolio statistics

	VINACAPITAL-VDEF	VN-Index
2024 P/E (x)	10.9	12.7
2024 P/B (x)	1.7	1.8
2024 ROE (%)	15.6	14.4
Dividend yield (%)	3.3	3.0
Portfolio turnover (%)	-	-
Sharpe ratio	(0.5)	(0.0)
No. of equities	23	411

Source: VinaCapital's forecast

## Sector allocation

## % Total NAV



## Top holdings

Equity	Sector	% NAV
ACB	Banks	13.5
VHC	Consumer Staples	7.8
GMD	Industrials	6.8
PVI	Non-bank Financials	5.4
FPT	Information Technology	5.2
VEA	Industrials	4.6
HDG	Industrials	4.6
SZC	Industrials	4.4
CTG	Banks	3.8
PC1	Industrials	3.8

## Comments from fund manager

## STOCK MARKET UPDATE

In October 2024, the VN-Index decreased by 1.8% to 1,264.5 points, reducing the year-to-date (YTD) growth of the Vietnamese stock market to 11.9%.

The stock market was affected by exchange rate and the unpredictability regarding the U.S. presidential election. After weakening in September due to the U.S. Federal Reserve (Fed) cutting interest rates by 50 basis points, the USD strengthened globally in October due to positive U.S. economic data and expectations that other countries would also cut interest rates along with the U.S. In Vietnam, the USD/VND exchange rate increased from around VND 24,500/USD at the end of September to VND 25,300/USD at the end of October.

Liquidity in the stock market has remained low for several months. The average daily trading value reached VND 17.8 trillion in October across the combined three exchanges, almost unchanged from the previous month. Foreign investors were net-sellers of VND 11 trillion in October, including a major transaction where a large foreign shareholder of VIB sold an approximately 10% stake, equivalent to VND 5.4 trillion.

Listed companies announced their Q3 2024 business results. The aggregate Q3 net profit of companies across the combined three exchanges grew 20% YoY, generally meeting market expectations, except for a few banks and some companies in the export and energy sectors which performed below expectations. The banking sector's net profit advanced by 18% YoY but decreased by 8% QoQ, mainly due to reduced net interest margins from customer support policies and competition among banks. The non-banking sector achieved profit growth of 22% YoY and 10% QoQ, a relatively encouraging result.

## FUND UPDATE AND INVESTMENT OUTLOOK

The NAV per share of VINACAPITAL-VDEF decreased by 1.2% in October, outperforming the VN-Index by 0.6%.

Regarding the Q3 2024 business results of the companies in which the fund invests, except for ACB, which recorded a YoY profit decline due to its interest rate support policy for customers, and PVI, whose profits were affected by compensation for customers impacted by Typhoon Yagi, other companies reported encouraging business results.

VHC, the second largest investment in the fund's portfolio, has shown increasingly positive business results over the past three quarters. This improvement is attributed to enhanced catfish exports to the US and reduced fish feed costs. The company recorded a net profit of VND 321 billion in Q3, a 68% YoY increase.

In the seaport sector, GMD recorded a net profit of VND 335 billion in Q3, a 32% YoY growth, thanks to impressive business results at both Nam Dinh Vu Port and Gemalink.

In the information technology sector, FPT continued to maintain a profit growth of 20% in Q3 2024, mainly driven by the digital transformation segment in global IT services.

On November 8, the Fed decided to cut interest rates by an additional 25 basis points to a range of 4.5% - 4.75%. The market now forecasts another 25 basis point rate cut in December. Therefore, we expect exchange rate pressure to ease in the near future.

Vietnam's macroeconomic data for October and the Q3 business results of listed companies generally met market expectations. Additionally, Circular 68/2024/TT-BTC, effective from November 2, 2024, allows foreign institutional investors to buy securities without 100% pre-funding, helping to pave the way for Vietnam's stock market to be upgraded to emerging market status by FTSE Russell. With a 2024F P/E ratio of 12 times, the Vietnamese stock market remains reasonably valued for long-term investment.

## Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024	-	-	-	-	-	-1.3%	1.0%	0.9%	0.7%	-1.2%			-

## 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.

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