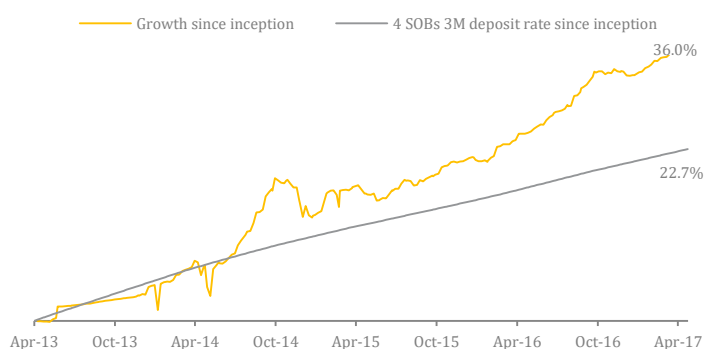


## VinaWealth Enhanced Fixed Income Fund (VFF)

As of 30 April 2017

### VFF NAV Growth since inception (Apr 2013 – Apr 2017)

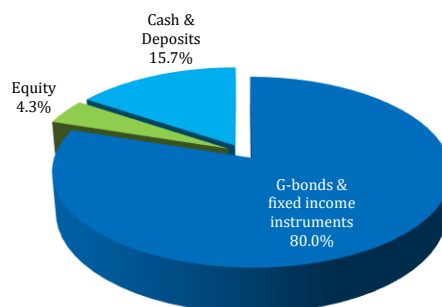


The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your fund units. Current performance may be higher or lower than the performance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

### Snapshot

Structure	Open-ended Bond Fund
Investment risk	LOW
Investment return	LOW AVG HIGH
Fees	LOW AVG HIGH

### Investment Highlight



### Performance vs. Benchmark

	Total Assets (VND bn)	NAV/unit (VND)	NAV growth						
			YTD	Annualized YTD	2013	2014	2015	2016	Since Inception (Apr 2013)
VFF	246.8	13,606	2.7%	8.1%	4.7%	8.8%	6.7%	9.0%	36.0%
4 SOCBs 3M deposit <sup>1</sup>			1.6%	4.8%	5.2%	5.9%	4.7%	5.2%	22.7%
4 SOCBs 12M deposit <sup>2</sup>			2.2%	6.7%	5.8%	7.1%	6.1%	6.7%	27.9%
VCB 12M deposit <sup>3</sup>			2.1%	6.5%	5.8%	7.0%	6.1%	6.5%	27.5%

<sup>1</sup>: Average trailing 3-month deposit rate by 4 State-owned Commercial Banks (VCB, BIDV, Vietin, Agri) is VFF's benchmark

<sup>2</sup>: Average trailing 12-month deposit rate by 4 SOCBs is additional reference

<sup>3</sup>: Average trailing 12-month deposit rate by VCB is additional reference

### Investment Approach

#### Asset allocation

Invest at least 80% of Total Net Assets into Government Bonds, Government-guaranteed Bonds, Municipal Bonds, Valuable Papers issued by high credit-rating institutions, and Short-term Bank Deposits.

Invest up to 15% of Total Net Assets on listed stocks with strong fundamental, high potential upside, and stable dividend yield for downside risk mitigation.

#### Target

Deliver attractive and stable return from capital appreciation, coupon payment, and yield enhancement instruments.

#### Benchmark

Average 3-month VND denominated deposit rate by 4 State-owned Commercial Banks, namely VietinBank, Agribank, BIDV, and VietcomBank.

### Details

Inception	9 April 2013	
Management fee	1.2% per annum	
Subscription fee	0.0%	
Redemption fee	VINAFLEX <sup>4</sup>	VINASAVE <sup>5</sup>
	• 2.5% < 12 months • 1.0% >= 12 months	• 2.0% < 24 months • 0.0 >= 24 months
Minimum subscription	VND2,000,000/ ~USD90	VND200,000/ ~USD9
Custodian and Supervisory Bank	Standard Chartered Bank Ltd. (Viet Nam)	
Auditor	Ernst & Young (Vietnam)	
Trading frequency	Once a week, on Tuesday	

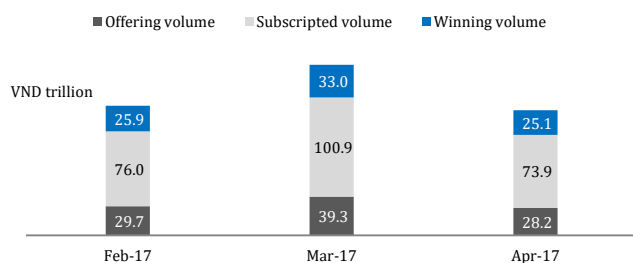
<sup>4</sup>: Flexible investment plan

<sup>5</sup>: Saving plan encouraging periodic contribution

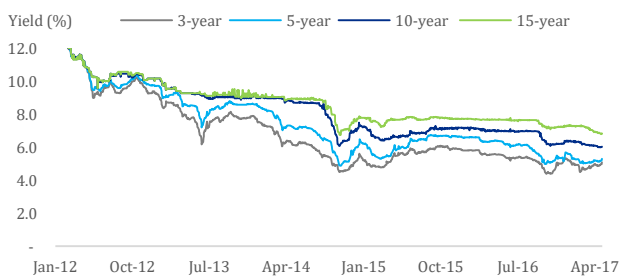
Portfolio Manager: Ms. Xuan Dung Nguyen  
[dung.xuan.nguyen@vinawealth.com.vn](mailto:dung.xuan.nguyen@vinawealth.com.vn)

Investor Relation: [ir@vinawealth.com.vn](mailto:ir@vinawealth.com.vn)  
 Tel: +84 8 38 27 85 35

### Auction result



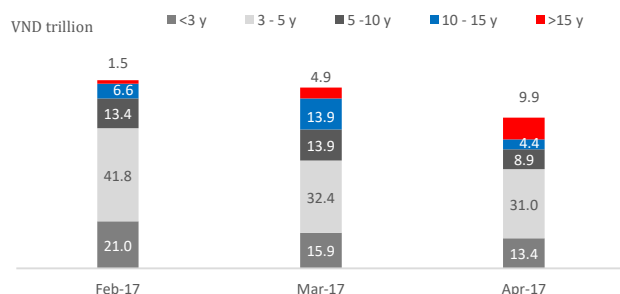
### Secondary bond yield



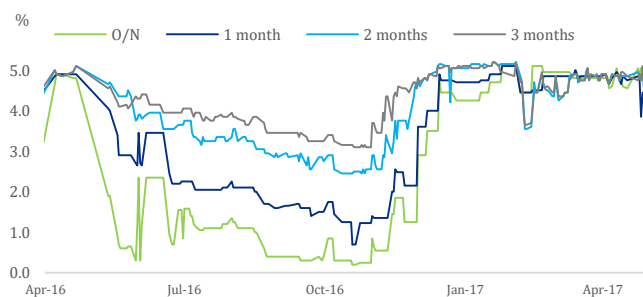
### Secondary bond yield movement

Tenor	Month		Change
	03-2017	04-2017	
1 year	4.14	4.32	0.18
2 year	4.79	4.98	0.18
3 year	4.98	5.10	0.12
5 year	5.22	5.31	0.09
7 year	5.56	5.54	-0.02
10 year	6.11	6.05	-0.06
15 year	6.97	6.85	-0.12

### Secondary trading by tenor



### Interbank rate



Source: Bloomberg

## Fund Manager's comments

Strong credit growth (+4.86% versus +4.03% in March) and the enforcement of revised circular 36 by the SBV pertaining loan-to-deposit ratio (LDR) between short-term capital and medium to long-term loans continued to leave some pressure on liquidity in the banking system in April. Effectively, banks are imposed to maintain the ratio at up to 50% while the guidance was 60% prior to 2017. Accordingly, interbank rate stayed at high level as in March and both primary and secondary bond markets became less active over the month.

On primary market, the State Treasury (ST) was sole issuer with VND25.08 trillion (USD1.10 billion) worth of 5- to 30-year bonds was issued in April, contracted 24% compared to total bond issues in March. Lower risk appetite from hanks has resulted in m-o-m bond yield decline of 12 bps and 5 bps on 5- and 7-year ST bonds respectively, meanwhile, longer dated ST bond yields eased by 6 bps to 35 bps compared to their last issues in March thanks to strong top-line growth of life insurance sector (circa 30% year-on-year, Q1-2017).

As of April, the ST has issued VND81.58 trillion (USD3.59 billion) worth of bonds, accomplished 44.5% of the government's revised bond issuance target for 2017 (VND183.3 trillion or USD8.04 billion).

Total trading value on secondary market shrank 16.6% month-on-month, from VND81.06 trillion (USD 3.56 billion) in March to VND67.61 trillion (USD2.97 billion) in April. Bond investors continued showing strong preference for long dated g-bonds, resulted in softening g-bond yields by 6 bps to 12 bps at the long-end of the yield curve versus last month. Meanwhile, short dated g-bond yields experienced an increase from 9 bps to 18 bps given lower demand.

Flattening yield curve recently is expected to rise bond investors' risk appetite and accommodate more active bond market in the months ahead, in the context of stable macro environment is forecasted throughout 2017.

## Important information

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