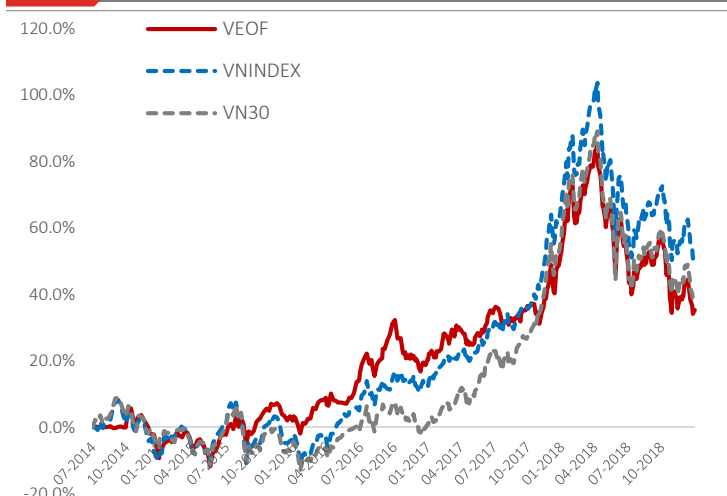


# VinaWealth Equity Opportunity Fund (VEOF)

## VEOF NAV Growth since inception (Jul 2014 – Dec 2018)



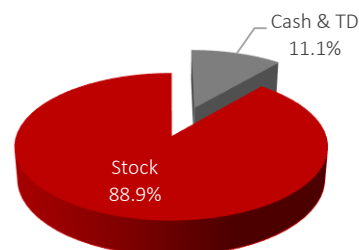
The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance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

## Snapshot

Structure	Open Ended Equity Fund
Investment risk	<b>HIGH</b>
Investment return	LOW AVERAGE HIGH
Fees	LOW AVERAGE HIGH

## Investment Highlight (As of 31 Dec 2018)

### %Total Asset



## Performance vs. Benchmark

(as of 31 Dec 2018)	VEOF	VN30	VNIndex	HNXIndex
Total Assets (VND bn)	824.6			
NAV/share (VND)	13,524	855.0	892.5	104.2
M-o-M	-2.9%	-4.4%	-3.7%	-0.6%
Q-o-Q	-13.6%	-14.0%	-12.2%	-10.4%
Y-o-Y	-11.4%	-12.4%	-9.3%	-10.8%
YTD 2018	-11.4%	-12.4%	-9.3%	-10.8%
2017	26.7%	55.3%	48.0%	45.9%
2016	16.7%	5.5%	14.8%	0.2%
Since inception (07/2014)	35.2%	37.3%	50.9%	33.5%

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

## Details

Inception	1 July 2014
Management fee	1.75% per annum
Subscription fee	0.0%
Redemption fee	<ul style="list-style-type: none"> <li>• 2.5% &lt; 12 months</li> <li>• 1.5% &gt;= 12 months</li> <li>• 0.75% &gt;= 24 months</li> </ul>
Minimum subscription	VND2,000,000/ ~USD90
Custodian and Supervisory Bank	Standard Chartered Bank Ltd. (Viet Nam)
Auditor	PwC Vietnam
Trading frequency	Twice a week, on Tuesday and Thursday
Performance benchmark	VN-Index

## Investment Approach

Maximize return in the short to medium-term (1-3 years) by focusing primarily on Vietnamese large and medium-cap stocks with sound fundamentals and medium-term growth potential.

Target to invest >90% into listed stocks on the Vietnamese stock exchanges.

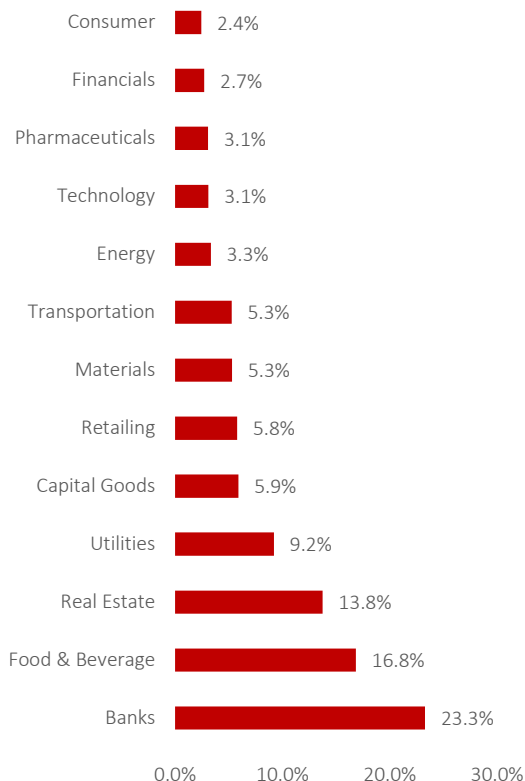
Invest up to 10% into OTC securities that will be listed/registered within 12 months.

Opportunistic investments into fixed income instruments.

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## Sector Allocation (% Total Asset)



## Top 10 Holdings

	Sector	% Total Asset
VHM	Real Estate	7.1
VCB	Banks	6.7
VNM	Food & Beverage	6.7
GAS	Utilities	5.3
SAB	Food & Beverage	3.9
TCB	Banks	3.8
HPG	Materials	3.7
MBB	Banks	3.3
MWG	Retailing	3.2
PLX	Energy	3.0

## Portfolio Valuation

	VEOF	VN30	VNINDEX
P/E (x)	13.3	13.3	15.6
P/B (x)	2.4	2.5	2.4
ROE (%)	20.8	18.6	14.9
Dividend yield (%)	2.3	2.0	1.8
Portfolio turnover (%)	116.8	-	-
Sharpe ratio	(0.53)	(0.52)	(0.43)
No. of stocks	40	30	376

Source: Bloomberg

## VEOF Update

The VN Index underwent a volatile year, closing at 892.5 at year-end, declining 3.7% month-over-month (mom) and 9.3% year-over-year (yoy).

- Global stock markets subsided in December. The S&P 500 and Dow Jones slumped by 9.2% and 8.7% due to US – China trade tensions and possibly more FED rate hikes in 2019.
- A wide range of stocks declined across Vietnamese exchanges: real estate stocks (VIC, VHM, VRE) slumped by 6-9%; financial stocks (CTG, MBB, HCM) declined by 10-16%; energy stocks (GAS, PLX, PVD) also fell by 5-9% due to a 8% fall in oil price. The Index tumble was only alleviated by a few consumer stocks such as SAB (+7%), MWG (+3%), PNJ (+2.1%).

On the bright side, 2018 macro data showed positive indicators. GDP growth reached 7.1%, the highest since 2007. The VND only depreciated by 2.1% against the USD for the entire year. The trade surplus reached an historic high of USD7.2 billion.

At the end of 2018, the VN Index was more reasonably priced at 15.6x trailing P/E, a 13% discount to the ASEAN average (Thailand, Malaysia, Indonesia, the Philippines). In December, foreign investors net purchased VND737 billion across Vietnam's three bourses HOSE, HNX and UPCoM.

**Due to adverse market conditions, NAV per share of VEOF declined by 2.9% in December, although it did outperform the VN Index.**

Similar to the VN Index, large-cap stocks in VEOF's portfolio slumped such as VHM, VNM, GAS, PLX, HPG, MBB. Apart from GAS and HPG, which were affected by declining oil and steel prices, other stocks did not have any negative information.

In the opposite direction, top-10 holdings of VEOF consisted of some outperforming stocks, such as SAB (+7%), MWG (+3%).

Listed companies began to announce 4Q18 earnings results and 2019 business plans. Large stocks within the portfolio recorded rather positive results:

- VNM estimated 4Q18 net profit to reach VND2,277 billion, a 30.5% yoy increase.
- VCB's 2018 profit before tax reached VND18.4 trillion, a 62% yoy increase. VCB targets a 12% profit increase in 2019.
- MWG targets 2019 net profit to reach VND3,571 billion, 37% higher than the 2018 plan. By the end of November, the company had accomplished its 2018 profit target.

## Important information

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