



## MARKET REVIEW

**VNI advances 2.9% in Sep to close at a six-month high of 905**

**Trading activity jumps as locals turn bullish**

**Financials lead, along with MWG and VNM**

**Government actions positive for economy and stock market**

Following its 10%-plus gain last month, the VN Index maintained its upward momentum, advancing another 2.9% (\$TR) in Sep. The rise was tested several times, but in the end it held up – thanks to another 50 bp rate cut by the SBV, as well as strong PMI and trade surplus numbers. The VNI closed Sep at 905, a six-month high, further narrowing its ytd loss to 4.7%.

Average daily traded value rose a massive 31% mom to \$289m, mostly driven by local investors. Although the HOSE received \$77m of net foreign inflows, there was one block deal in which \$237m worth of Vinhomes (VHM) shares were transferred to foreigners from a group of local shareholders. Excluding this deal, foreign investors net sold \$160m for the month. Foreigners sold stocks across the board, though names that saw the most outflows were Hoa Phat Group (HPG, -\$41m) and Vinamilk (VNM, -\$23m). These sales were easily absorbed by local institutions and retail investors, however, as indicated by the market's rise.

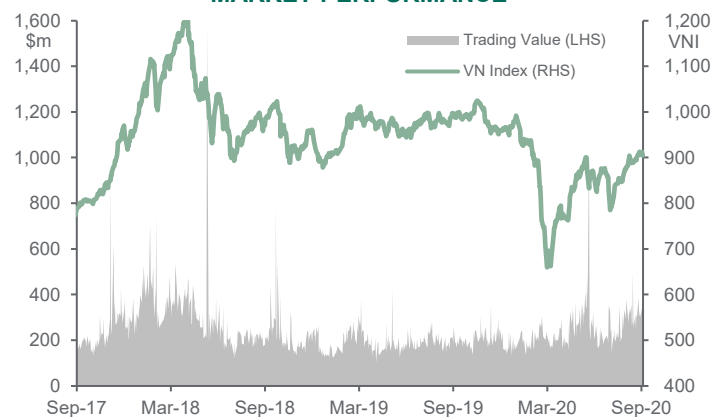
As trading value rose, brokerage stocks were among the best performers (SSI +14%, VCI +14%, HCM +13%). Mobile World (MWG) continued its rise, climbing a further 11.7% in Sep following a 25% pop in Aug, as the company delivered better-than-expected monthly results. And Vinamilk gained 9.8% on strong preliminary numbers (3Q profit up 16% yoy). As companies wrap up the third quarter, many of them, including MWG and VNM, announced healthy dividend payments (both in cash and in stock) that helped boost investor sentiment and share prices. Banks led the Index in the latter half of the month, driven by FOL banks benefiting from inflows into local ETFs (Diamond and Finlead) and the possibility of positive 3Q earnings surprises. In addition, news of specific private banks (VIB +25.9%, LPB +23.9%) moving from UPCoM to the HOSE also added to the positive sentiment, as banks will gain further weight to remain the largest sector in the Index. On the downside, stocks that weighed on the VNI included Sabeco (SAB, -4.3%), VHM (-3.8%), and GAS (-3.8%).

We expect higher market volatility going forward given the current US investigation of Vietnam for possible currency manipulation. However, we expect the investigation will take time and should not impact Vietnam's ongoing economic recovery. Now that Vietnam has successfully managed the COVID-19 outbreak, the Government can focus on boosting the economy, both by increasing infrastructure spending and easing monetary conditions. These actions should be positive for the economy and the stock market in both the medium and long term.

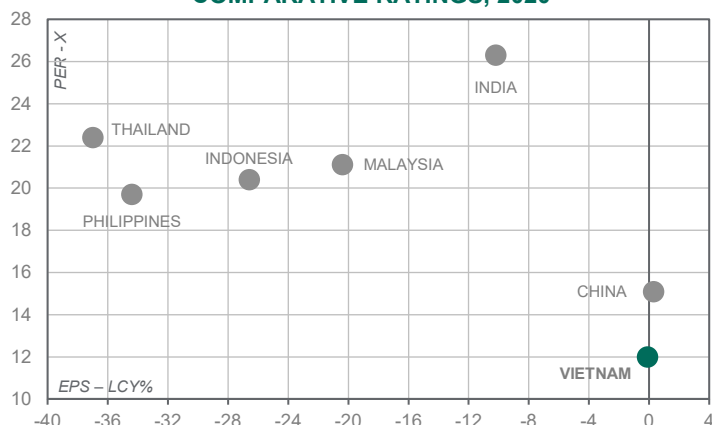
### DC TOP-60 FORECASTS

30-Sep-20	Unit	2018	2019	2020F	2021F
PER	x	13.1	12.0	12.3	10.7
EPS Growth	%	24.3	11.7	-0.1	18.3
PEG	x	0.5	1.0	Neg	0.7
Sales Growth	%	15.0	10.0	6.9	19.4
EBIT Growth	%	19.7	15.1	7.7	17.7
PBT Growth	%	29.5	13.2	-0.1	15.7
NPAT Growth	%	25.8	12.9	-0.1	18.3
Net DER	x	0.4	0.3	0.2	0.2
Yield	%	2.3	1.7	1.2	1.5

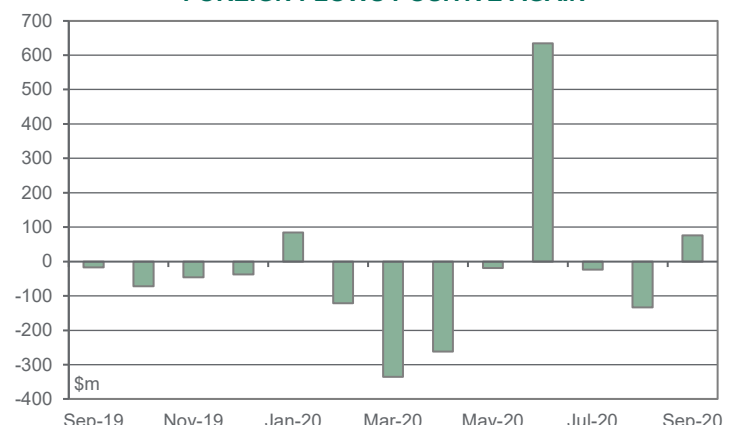
### MARKET PERFORMANCE



### COMPARATIVE RATINGS, 2020



### FOREIGN FLOWS POSITIVE AGAIN





## ECONOMY REVIEW

### Robust post-second wave recovery

Vietnam exited Sep with no new local cases of COVID-19, and now social distancing measures have been removed in all infected areas. Thanks to the control of the pandemic, there has been a robust rebound in both services and manufacturing, supported by strong improvement in trading activities. An increase in commerce confirms Vietnam's role as a global player, while posing a potential external risk of retaliatory measures from abroad.

### 3Q GDP up 2.62% yoy on manufacturing and services

3Q20 GDP grew 2.62% yoy, reflecting the Government's success in striking a balance between virus containment and economic activity. The services sector rebounded by 2.8% yoy, contributing 40% to headline GDP growth as retail sales grew 5.9% yoy from -5.7% in 2Q20. The manufacturing sector grew 2.9% in 3Q, mainly driven by construction (+5.7% yoy) and manufacturing (+3.9% yoy) from last year's high base.

### Trade growth strong, but with a risk from the US

Trade value soared in Sep as exports and imports rose by 18.0% and 11.6% yoy to \$27.5bn and \$24bn. As a result, the preliminary trade surplus widened to \$3.5bn. This is clear evidence that Vietnam is taking shares from other countries on the global trade stage, especially those that are still struggling with the outbreak or the post-pandemic resumption of activity. The extraordinary results drew unwanted attention, as the US Treasury recently launched an investigation into currency manipulation by Vietnam. However, the risk of being directly confronted by the US is not high, as Vietnam has been exporting low-value items that are not priority sectors for the US and plans to buy US goods and services to offset the trade surplus.

### SBV cuts rates again to support the economy

Vietnam's State Bank cut interest rates for the fourth time this year, carving 50 bps off policy rates and 25 bps from the short-term deposit rate ceiling. The total reduction of 150-200 bps so far this year reconfirmed policymakers' intention to use easy monetary policy to lessen the impact of COVID-19. We believe that with inflation being well controlled at below 4%, the SBV has more than enough room to maintain rates at relatively low levels to stimulate demand for loans, of which growth is expected to reach 10% by year end from 6.1% after 9M.

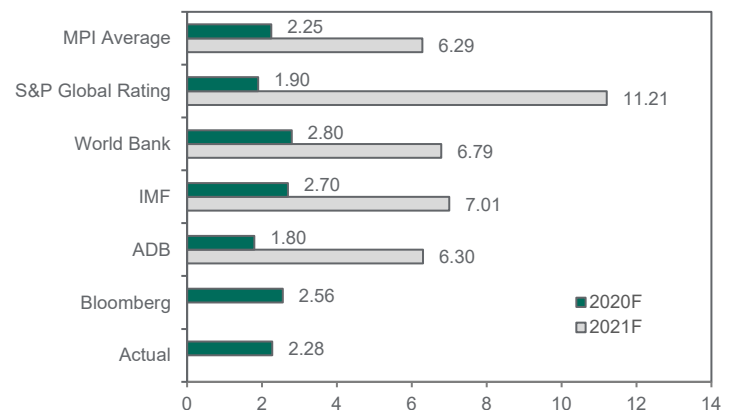
### We revise our 2020 GDP forecast to 2.5-3.0%

Throughout this year, Vietnam has demonstrated its economic resilience and competitive advantages on the global stage through increasing its share of trade. With a strategy to focus on stimulating domestic consumption, and strong support from both monetary and fiscal perspectives, we revise up our forecasted GDP growth this year from 2.0-2.5% to 2.5-3.0%.

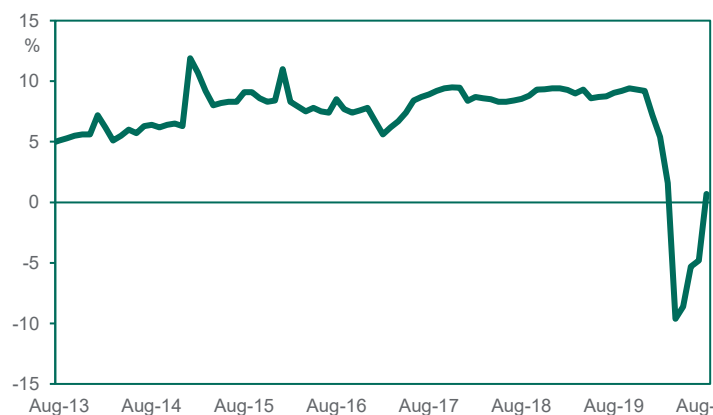
## ECONOMIC FORECASTS

	unit	2017	2018	2019	2020F
Real GDP Growth	%	6.8	7.1	7.0	2.5
Nominal GDP	\$bn	220.1	242.4	263.9	276.8
CPI	%	2.6	3.0	5.2	4.0
Export Growth (cif)	%	21.2	13.8	8.2	2.4
Import Growth (cif)	%	20.8	11.5	7.1	-1.1
Trade Balance (cif)	\$bn	2.9	6.8	9.4	20.1
FX Reserves	\$bn	52.0	61.0	80.0	95.0
FDI Disbursed	\$bn	17.5	19.1	20.4	14.9
VND:\$ (interbank)	1	22,750	23,235	23,150	23,150

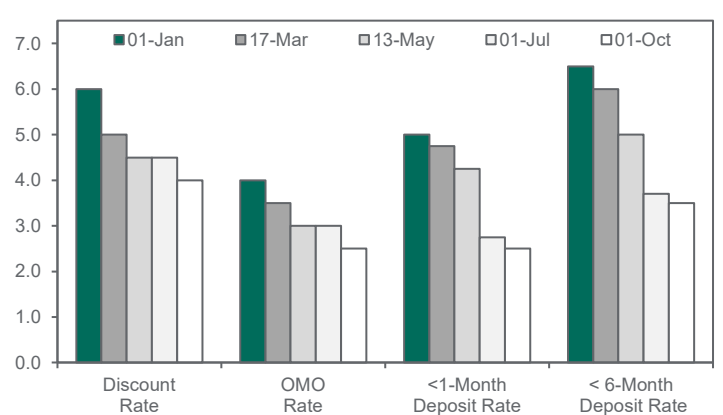
## 3Q GDP BEATS MARKET EXPECTATIONS



## RETAIL SALES RISE SHARPLY IN SEP



## SBV CUTS RATES FOR FOURTH TIME IN 2020





## VIETNAM ENTERPRISE INVESTMENTS LIMITED – VEIL

VEIL continued its strong rally from Aug, rising another 5.0% in Sep and outperforming the VN Index (TRS) by 2.1%. The Fund's Sep performance capped off a strong third quarter during which it gained 14.7%. This brought its ytd return to near breakeven, five months after the COVID-19 sell-off. This strong Sep performance was driven mostly by four of the Fund's top-10 holdings: Mobile World Group (MWG), Asia Commercial Bank (ACB), Hoa Phat Group (HPG), Military Bank (MBB).

Sentiment in MWG's stock was boosted by another strong operating performance in Aug, during which revenue and NPAT rose 9% and 14% respectively. Whilst there was marginal weakness in the consumer electronics and mobile phone segments primarily due to a lingering impact from the second wave of COVID-19, the grocery segment (BHX) powered ahead. The BHX chain delivered 11% yoy revenue growth in Aug as its store count more than doubled from the same period last year (1,595 stores in Aug 20 vs 725 stores in Aug 19). The impressive growth in the bottom line was driven by the NPAT margin, which remained relatively high at 3.8%.

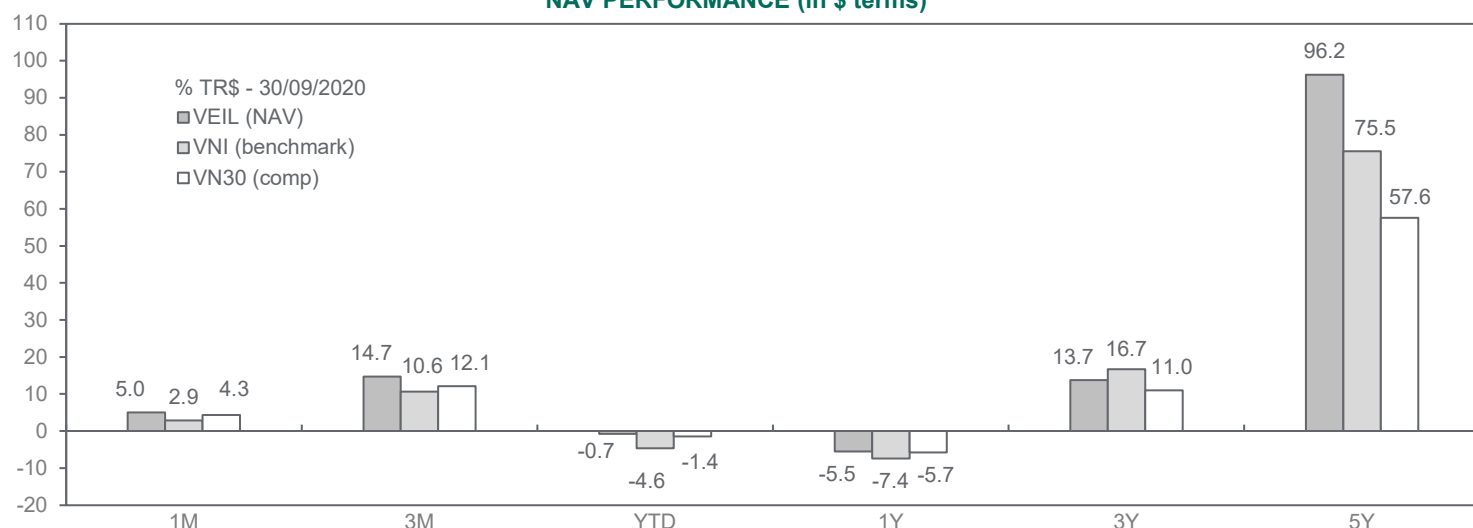
ACB continued its rise from Aug, gaining a further 6.2% this month on the back of positive sentiment generated by the 30% stock dividend and the upcoming HOSE listing. Similarly, MBB's share price also welcomed the announcement of the ex-rights date for its upcoming 15% stock dividend. Fundamentally, MBB's 1H20 reaffirmed that the bank remains very healthy in the aftermath of COVID-19, with its NPL ratio steady at 1.4% and its loan-loss reserve inching back up above 100%. Even as provisioning expense surged 40% in 1H20, MBB was still able to grow net earnings by 6.1% yoy.

And HPG posted yet another monthly sales volume record in Sep, with more than half a million tonnes sold in a single month. Construction steel sales volume of 352,000 tonnes was also a record high for the company. With monthly volume numbers repeatedly notching new records, expectations of very good 3Q earnings is high and the share price performance over the past few months has been reflecting this.

### PRICE AND NAV DATA

Net Assets	NAV/Share	Cash (% of AUM)	Price	Price Change (%)		Std. Dev.	Sharpe Ratio
			EOD	Monthly	YTD		
\$1,455.6m	\$6.71	0.70	-	1.9%	-7.5%	27.63	0.10
£1,126.0m	£5.19		£4.50	5.1%	-5.2%		

### NAV PERFORMANCE (in \$ terms)



### TOP 10 HOLDINGS (64.0% of NAV)

COMPANY	SECTOR	VNI %	NAV %	CH %
1 Mobile World	Retail	1.5	10.4	11.6
2 ACB	Banks	-	9.0	6.1
3 Vietcombank	Banks	9.8	8.8	1.3
4 Vinhomes	Property	7.9	8.2	-3.9
5 Hoa Phat	Mat's/Res	2.7	7.9	7.5
6 Khang Dien House	Property	0.4	5.1	-0.4
7 FPT	S'ware/Svc's	1.2	4.1	1.0
8 Military Bank	Banks	1.5	4.0	10.0
9 VPBank	Banks	1.8	3.3	1.7
10 Vinamilk	F&B	5.9	3.2	9.6

### DISCOUNT TO NAV





## VIETNAM EQUITY (UCITS) FUND – VEF

VEF rose 3.8% in Sep while the FTSE VN Index gained 2.9%. Positive sentiment spilled over from Aug as Vietnam successfully contained its second wave of COVID-19. Mobile World (MWG), Vinh Hoan Corp (VHC), Airports Corporation of Vietnam (ACV) and MB Bank (MBB) were amongst the largest contributors to absolute and active return for the Fund in Sep.

MWG surged 29.2% in 3Q as Vietnam successfully extinguished the second wave of the virus without having to re-implement country-wide social distancing as had been feared. Furthermore, the company continued to post solid monthly business results for Aug. Cumulatively, MWG reported revenue up 6% yoy while NPAT dipped just 0.7% yoy. Growth has been consistently improving from Jun and is much better than the market had been expecting. Given that the consensus expected growth in 2020 currently ranges from -20% to -10%, we think there will be significant revisions in the 2020 forecast, which would boost sentiment even further. The foreign premium for the stock remained firmly at around 40% throughout Sep.

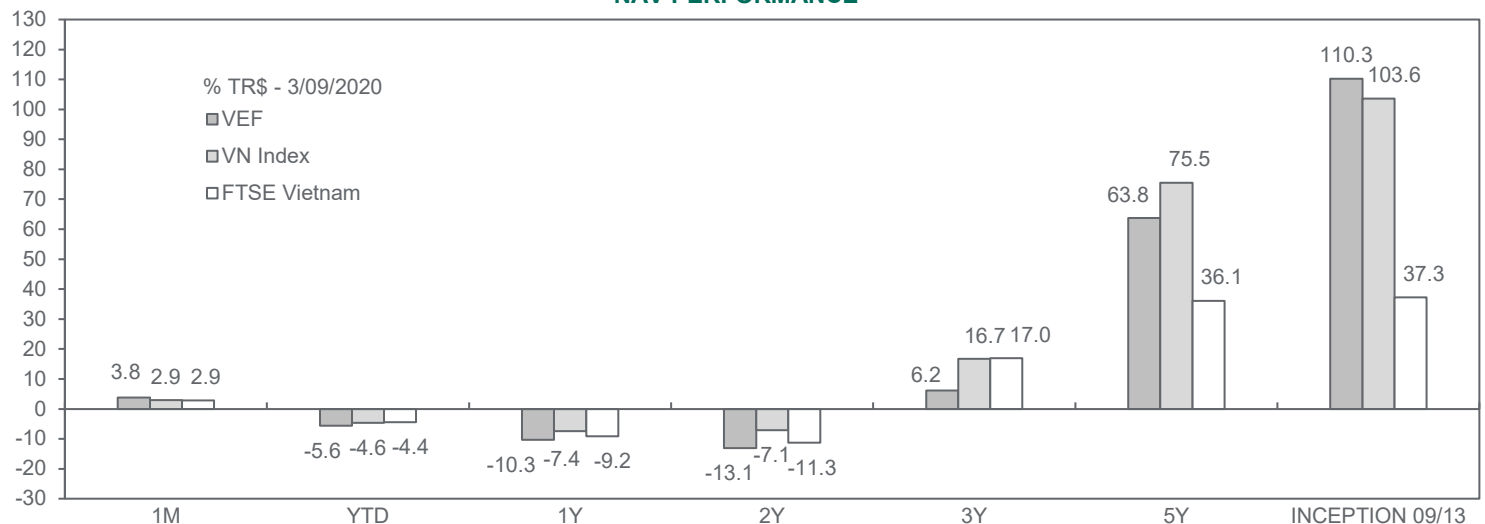
VHC gained 15% in Sep and 25% during 3Q, just ahead of the launch of its collagen/gelatin (C/G) line in Oct after two months delay due to the pandemic. At its full run, the new line could generate VND 400bn in revenue and VND 110bn in net profits, which is equivalent to 30% of total profits of C/G in 2020 (est. VND 300bn). At full run, C/G can sustainably contribute VND 400bn to net profits, 30% of our current forecast for 2021. The segment has become a good buffer for VHC's fish export business, which is currently facing uncertainties due to fluctuating demand from its key markets, the US and China.

The airport operator ACV rose 15.3% Sep. While air travel remained low, investor sentiment in the company improved significantly after the Ministry of Transport submitted the final proposal to the Prime Minister that will allow ACV to invest/maintain/upgrade the aviation assets that were set aside since the company's IPO in 2015. Formal approval by the Prime Minister is expected to be granted soon, which will help remove the auditor's qualified opinion on ACV's financial statement and thus clear the way for the company to move its stock from UPCoM to the main bourse. ACV is the Fund's long-term exposure to Vietnam's growing air traffic. The company was recently granted two key capacity expansion projects: Tan Son Nhat Terminal 3 (20m passengers/year) and Long Thanh Airport (100m passengers/year).

### PRICE AND NAV DATA

NAV/Share	NAV Change (%)		Net Assets		Std. Dev.	Sharpe Ratio
	Monthly	YTD	Total	Net Cash (% of NAV)		
\$21.03	3.8	-5.6	\$103.6m	2.0	26.96	0.01

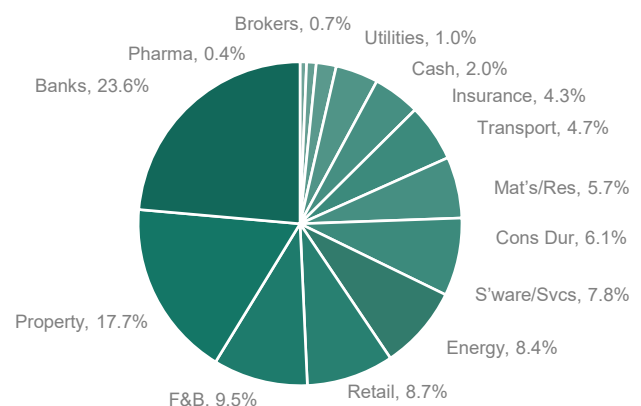
### NAV PERFORMANCE



### TOP 10 HOLDINGS (62.5% of NAV)

COMPANY	SECTOR	FTSE %	NAV %	CH %
1 MB Bank	Banks	-	8.16	10.0
2 Vietcombank	Banks	6.45	8.12	1.3
3 FPT Corp	S'ware/Svcs	-	7.79	1.0
4 Mobile World	Retail	-	7.67	11.6
5 Vinhomes	Property	14.17	7.23	-3.9
6 Vinh Hoan	F&B	-	4.74	14.9
7 Hoa Phat Group	Mat's/Res	11.24	4.73	7.5
8 Vinamilk	F&B	15.70	4.72	9.6
9 Airports Corp VN	Transport	-	4.70	15.3
10 Vietinbank	Banks	-	4.62	3.3

### SECTOR BREAKDOWN





## VIETNAM DEBT FUND – VDeF

The VGB curve shifted down in a hump shape in Sep. The shorter end of the curve, which was already close to zero, came down 0-10 bps, the 5 and 7-year VGBs were down 30 bps and 49 bps, while the 10+ year tenures fell some 10 bps. Rates then continued to fall and at 7 Oct the 1, 2, 5, and 10-year mid-rates were 0.18%, 0.31% and 1.18% and 2.50%. To put things into perspective, Vietnam's 5-year rate/inflation is 1.18/2.98, Malaysia's 2.18/-1.40, Thailand's 0.77/-0.70, Indonesia's 5.78/1.86, South Korea's 1.21/1.00, India's 5.27/6.70 and the Philippine's 2.67/2.30.

Most likely there is a bubble in the shorter tenures. But given the expected future inflation path, one may argue that the 10, 20 and 30-year rates at 2.50%, 3.00% and 3.25% are neutral, although they do not have any cushion for mishaps and currency volatility. The question is, will the bubble burst, and if so when, or will it slowly fizz out? Cash is still piling up in the banking sector as the savings rate growth at 7.7% ytd outstrips the credit growth of 5.12%. The currency is in good shape for now and the budget deficit is funded to a large extent by ODA loans, so there is no pressure on State Treasury to issue lots of VGBs. As no VGBs of less than five years are issued, the supply in the shorter tenures is minimal at the same time as the banks have regulatory requirements to buy Government bonds. Thus, yields may stay artificially low for a while.

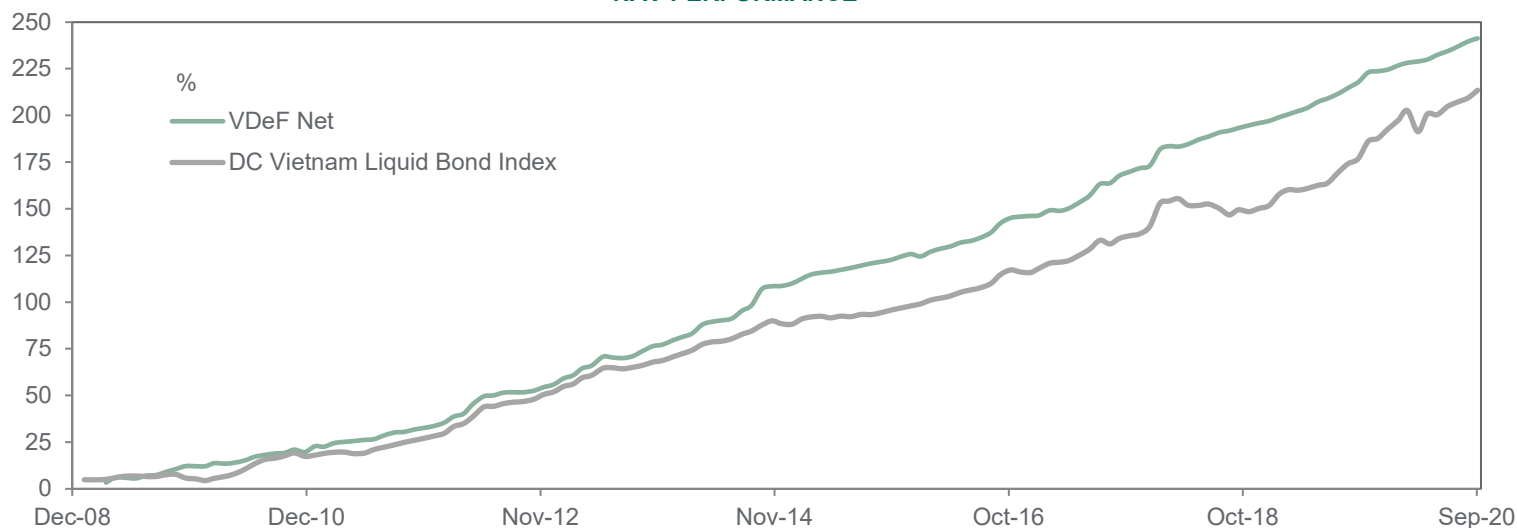
The corporate bond market is in a strange state. While the issuance ytd is record high at VND 300trn, the onshore funds are unable to find corporate bonds. As the listing procedure is very cumbersome, few issuers are willing to list the bonds. At the same time, the onshore funds are not allowed to hold more than 10% of unlisted bonds.

Despite the overall negative view on VGB yields, in late Sep VDeF-B added some 12% of 20-year VGBs at 3.30% to the portfolio. The reason was an extremely steep yield curve and bullish signals in the auctions, reflecting pressure on banks to buy Government bonds. As the liquidity for the longer tenures is very unpredictable and can dry up in a very short time, the tactic is to get out in steps.

### PRICE AND NAV DATA

	Net Assets	NAV/ Share	VND Returns (%)			USD Returns (%)		
			Month	YTD	Since Launch	Month	YTD	Since Launch
VDeF - B	\$57.5m	\$1,959.4	0.5	5.1	340.7	0.5	5.1	204.9
DCB Index	-	-	1.4	7.1	232.0	1.3	7.0	129.7

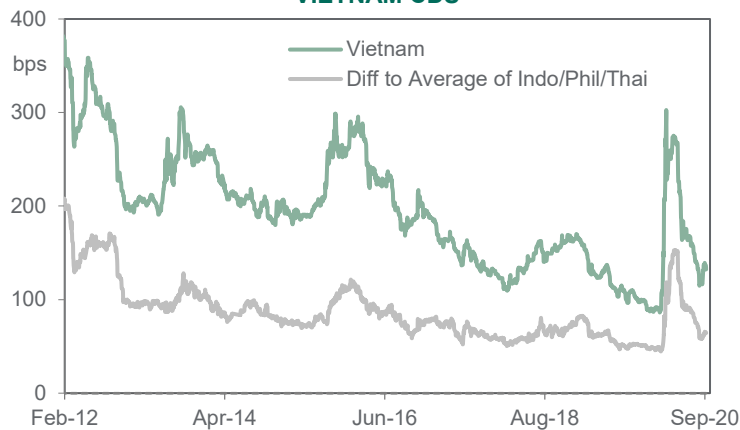
### NAV PERFORMANCE



### VGBs



### VIETNAM CDS





## APPENDIX 1: MACRO

### Key Indicators

Item	Unit	2013	2014	2015	2016	2017	2018	2019	2020F
GDP									
GDP	\$bn	169.7	184.0	186.0	197.6	220.1	242.4	263.9	276.8
Real GDP Growth	%	5.4	6.0	6.7	6.2	6.8	7.1	7.0	2.5
Services Growth	%	6.7	6.2	6.3	7.0	7.4	7.0	7.3	2.8
Agriculture Growth	%	2.6	3.4	2.4	1.4	2.9	3.8	2.0	2.2
Ind'l and Const'n Growth	%	5.1	6.4	9.6	7.6	8.0	8.9	8.9	3.3
Retail Sales Growth	%	13.5	10.6	9.5	10.2	10.9	11.7	11.8	0.8
Prices									
CPI (year-end)	%	6.0	1.8	0.9	4.7	2.6	3.0	5.2	4.0
Money, FX & Interest Rates									
Money Supply M2	%	18.0	16.0	18.0	18.0	18.0	11.3	13.1	12.5
Average Lending Rate	%	13.2	9.7	8.6	9.0	9.3	9.5	9.7	9.0
5-yr VGB	%	8.2	5.2	6.6	5.5	4.3	4.5	1.9	1.5
VND : \$	\$1	21,250	21,390	22,540	22,750	22,750	23,235	23,150	23,150
External Sector									
Trade Balance	\$bn	0.0	1.9	(3.5)	1.8	2.9	6.8	9.4	20.1
Current Account	\$bn	6.8	6.0	3.0	3.8	6.0	9.4	7.1	7.9
Current Account / GDP	%	4.0	3.2	1.5	1.9	2.7	3.8	2.7	2.9
FDI Registered	\$bn	21.6	20.3	22.8	23.4	29.7	25.5	22.5	19.9
FDI Disbursement	\$bn	11.5	12.5	14.5	15.8	17.5	19.1	20.4	14.9
FX Reserves	\$bn	32.1	34.2	31.0	41.1	52.0	61.0	80.0	95.0
Public Debt & Fiscal Balance									
External Debt	\$bn	63.3	70.5	78.1	88.5	107.6	111.5	120.9	123.5
<i>Government</i>	\$bn	36.2	38.1	39.6	42.9	46.3	47.7	49.1	50.6
<i>Enterprises (incl. FDI)</i>	\$bn	27.1	32.8	41.2	48.5	62.8	63.8	71.8	68.5
External Debt (% GDP)	%	37.3	38.3	42.0	44.8	48.9	46.0	45.8	44.6
Fiscal Balance (% GDP)	%	(5.0)	(4.7)	(4.6)	(4.2)	(3.5)	(3.7)	(3.6)	(5.6)





## APPENDIX 2: MARKET

### Key Stock Market Data

	HSX		HNX		UPCoM		Total	
	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19	30-Sep-20
Market Cap (\$m)	145,250	138,526	8,237	10,224	42,533	37,271	196,020	186,020
Number of Stocks	377	383	366	353	856	904	1,599	1,640
Number of Large Cap Stocks (> \$400m)	36	40	4	4	17	17	57	61
Stocks with No Room for Foreigners	23	15	9	9	21	36	53	60
Market Cap of Stocks with No Room (\$m)	19,549	18,472	2,212	2,177	1,266	2,276	23,026	22,925
Share of Market Cap with No Room (%)	13.5	13.3	26.9	21.3	3.0	6.1	11.7	12.3

### Top 25 Companies

No	Company	30-Sep Price (VND)	Price YTD (%)	Mkt Cap (\$m)	Wt in VNI (%)	PER			PBV			Yield		
						2019 (x)	2020F (x)	2021F (x)	2019 (x)	2020F (x)	2021F (x)	2019 (%)	2020F (%)	2021F (%)
1	Vietcombank	84,100	-6.8	13,454	9.78	20.9	17.3	14.3	4.1	2.9	2.4	0.7	-	-
2	Vingroup	91,500	-20.4	13,349	9.71	51.3	52.2	53.0	5.1	3.8	3.7	0.6	0.5	0.5
3	Vinhomes	75,500	-11.0	10,712	7.93	12.8	9.0	8.7	5.0	2.7	2.1	1.3	-	-
4	Vinamilk	108,900	15.4	9,816	5.95	20.7	23.2	21.7	7.2	7.8	7.2	4.0	4.6	4.6
5	BIDV	40,800	-11.6	7,078	5.15	29.3	33.4	17.7	2.4	2.0	1.8	2.6	-	-
6	Airports Corporation VN	66,900	-10.8	6,282	-	22.2	133.3	32.0	4.4	3.8	3.4	1.2	-	-
7	PV Gas	71,300	-20.2	5,886	4.28	14.7	16.6	14.9	3.5	2.7	2.5	4.8	4.2	4.2
8	Sabeco	183,300	-18.1	5,070	3.69	30.1	29.8	25.5	7.6	6.6	5.7	0.8	3.3	3.3
9	Vietinbank	26,550	27.0	4,264	3.10	10.2	11.6	10.2	1.0	1.1	1.0	0.0	-	-
10	Hoa Phat Group	26,400	37.3	3,773	2.74	8.9	8.7	6.9	1.3	1.5	1.3	0.0	1.9	3.8
11	Techcombank	22,600	-4.0	3,412	2.48	8.2	7.1	6.3	1.3	1.1	0.9	-	-	-
12	Masan Group	54,600	-3.4	2,766	2.01	11.9	45.5	31.1	1.5	2.5	2.5	0.6	-	-
13	Novaland	63,900	7.4	2,716	1.95	16.5	17.8	16.4	2.5	2.4	2.1	0.0	-	-
14	Vincom Retail	27,600	-18.8	2,705	2.02	27.1	25.6	21.2	2.9	2.1	2.0	3.2	-	1.8
15	Petrolimex	50,300	-3.6	2,644	2.04	15.0	57.5	17.6	2.7	2.6	2.6	5.4	2.0	5.9
16	VP Bank	23,750	18.8	2,497	1.83	5.9	6.0	5.1	1.2	1.1	0.9	-	-	-
17	VEAM Corp	43,200	-4.0	2,476	-	8.2	10.0	8.4	2.2	2.3	2.3	0.0	-	-
18	Vietjet Air	104,600	-28.5	2,363	1.78	20.1	neg	47.9	5.1	3.6	3.3	0.7	-	-
19	ACB	22,500	28.3	2,098	-	6.3	7.5	6.3	1.4	1.5	1.2	-	-	-
20	Military Bank	19,750	-5.0	2,054	1.51	6.6	6.1	5.5	1.2	0.9	0.8	2.7	-	-
21	Mobile World	104,300	-8.5	2,037	1.48	13.2	12.3	10.4	4.2	3.1	2.5	1.3	1.4	1.5
22	FPT	50,000	2.6	1,691	1.23	13.5	12.3	10.1	2.7	2.5	2.3	3.9	4.5	5.5
23	Vietnam Airlines	26,700	-20.9	1,633	1.19	25.3	neg	neg	2.6	6.6	20.2	3.6	-	-
24	Bao Viet Holding	48,700	-29.0	1,559	1.13	46.3	29.9	26.6	2.7	1.8	1.7	1.4	-	-
25	HD Bank	31,300	47.7	1,304	0.96	7.5	7.2	6.2	1.3	1.2	1.0	0.6	-	-

# VIETNAM MONTHLY REPORT

Performance Data as at 30 September 2020

DRAGON CAPITAL



Fund	Bloomberg	ISIN	SEDOL	CUSIP	Listed
VEIL	VEIL LN	KYG9361H1092	BD9X204	G9361H109	London (Main Market)
VEF-A	VIETNAM ID	IE00BD5HPH84	n/a	n/a	n/a
VEF-B	VIETEUR ID	IE00BV8WVB25	n/a	n/a	n/a
VDeF-B	VNDEBTB	KYG936151136	B3K9234	G93615113	Ireland

Price Providers	Funds	Bloomberg	Reuters	Contact
Jefferies International	VEIL	JCEF	n/a	Michele White / Trevor Hunt +44 207 898 7127 <a href="mailto:invcos@jefferies.com">invcos@jefferies.com</a>
SEI Investments	VEF	-	-	Transfer Agency Department <a href="mailto:TADublin@seic.com">TADublin@seic.com</a>

Operational VEIL	
Trading	Shares trade as depositary interests on the London Stock Exchange
Clearing	CREST Participant ID 393 (UK Equity)
Settlement	BIC Code: JEFFGB2X
Legal Entity Identifier (LEI)	213800SYT3T4AGEVW864

VEF	
Subscription & Withdrawals	Daily
The Fund has appointed <b>SEI Investments – Global Fund Services Limited</b> as its fund administrator and transfer agent, and <b>SEI Investments – Depositary and Custodial Services (Ireland) Limited</b> as its depository. A range of third-party fund platforms also include VEF in their product offerings, including Clearstream ( <a href="http://www.clearstream.com">www.clearstream.com</a> ), Fundsettle ( <a href="http://www.euroclear.com">www.euroclear.com</a> ), Banco Inversis ( <a href="http://www.inversis.com">www.inversis.com</a> ), IFSAM ( <a href="http://www.ifsam.lu">www.ifsam.lu</a> ), Pareto Securities ( <a href="http://www.paretosec.com">www.paretosec.com</a> ), Attrax ( <a href="http://www.attrax.lu">www.attrax.lu</a> ), MFEX ( <a href="http://www.mfex.com">www.mfex.com</a> ), and Allfunds ( <a href="http://www.allfunds.com">www.allfunds.com</a> ).	

VDeF	
Subscription & Withdrawals	Monthly
Contact:	<a href="mailto:info@dragoncapital.com">info@dragoncapital.com</a>

## DISCLAIMER

This is an advertising document. It has been prepared by Dragon Capital Markets Limited ("Dragon Capital") on behalf of: Enterprise Investment Management Limited (for VEIL); Dragon Capital Management (HK) Limited (for VEF and VDeF), for the information of their respective shareholders and other eligible recipients.

This document contains a review of the investment case for Vietnam and is neither a prospectus nor an offer or a solicitation to sell or buy or subscribe for securities, investment products or other financial instruments, nor does this document contain any advice or recommendation with respect to such securities, investment products or other financial instruments.

You are advised to exercise caution in relation to this document. Past performance is no guarantee of future performance, and the value of shares in the funds (and any income derived therefrom) may go down as well as up. The NAV of the funds are calculated by reference to the closing price of the relevant shares on the Vietnamese stock exchanges. Funds domiciled outside of Vietnam are subject to certain foreign ownership limits, therefore the price at which the funds can trade shares may be different from the price at which shares are traded locally. If you have any doubt about any information contained in this document, then you should obtain independent professional advice.

All information in this document remains subject to revision and amendment at any time. Dragon Capital makes no representation or warranty as to the accuracy, completeness or context of the document, and expressly disclaims all liability whatsoever arising from reliance upon this document or any part of it.

All rights reserved. The information contained in this document may be confidential and must not be distributed or otherwise made available to third parties without the consent of Dragon Capital, and then only to such recipients who have confirmed that distribution of such information is in compliance with all securities laws and regulations which apply to them.

**Information specific to UK investors in VEIL:** According to an analysis performed on behalf of VEIL by KPMG, VEIL does not meet the definition of an "offshore fund" for the purposes of the Offshore Fund Regulations in the UK. On the basis of this analysis, the Offshore Fund Regulations do not apply to VEIL, and therefore the reporting fund status regime is not relevant to VEIL or its UK investors. Please contact a member of the client group if you require the full analysis from KPMG.

**Representative and Paying Agent in Switzerland:** The representative for VEF in Switzerland is Oligo Swiss Fund Services SA, Av. Villamont 17, 1005 Lausanne, Switzerland, and the paying agent is Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich, Switzerland. The VEF prospectus, the key investor information documents (KIIDs), the articles of incorporation as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

UCITS HAVE NO GUARANTEED RETURN AND PAST PERFORMANCE DOES NOT GUARANTEE FUTURE PERFORMANCE.