

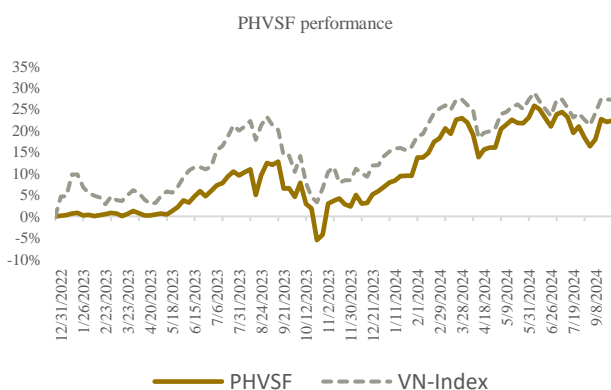
► **Investment Objectives**

The Fund’s investment objective is to obtain stable asset appreciation for the Investors in the medium and long term. Most of the Fund’s investment will be focused on securities currently and to be listed on the Vietnamese stock market.

► **Fund Details**

Fund name	PHU HUNG VIETNAM SELECT INVESTMENT FUND
Fund code	PHVSF
Type of Fund	Open-ended fund
Fund Management Company	Phu Hung Fund Management JSC.
Fund Managers	Nguyen Hoai Son Ho Thuy Ai
Custodian Bank	Bank for Investment and Development of Vietnam JSC (BIDV)
Transfer Agent	Vietnam Securities Depository
Trading Day (T Day)	Every day, from Monday to Friday (T Day)
Cut-off time	14:30 on T-1 Day (the last working day before the T Day)
Minimum Investment	VND 100,000/ transaction
Subscription fee	0.0%
Redemption Fee	<p>Calculated for each investment, according to FIFO (based on holding period of the fund units)</p> <ul style="list-style-type: none"> • Less than 182 days: 2% redemption amount • From 182 days to less than 365 days: 1.5% redemption amount • From 365 days to less than 730 days: 0.5% redemption amount • From 730 days or more: 0% redemption amount <p>Redemption fees apply to both Normal and SIP products</p>
Management fee	1.5% NAV/ year

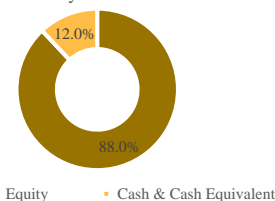
► **Fund Performance**



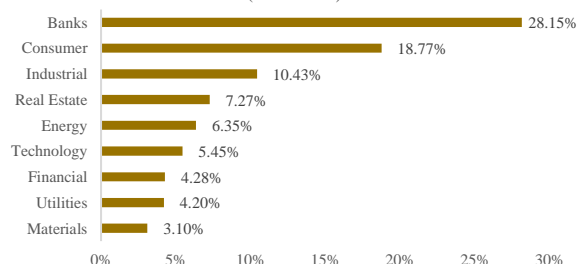
Trading Day	1M Return	3M Return	6M Return
31/08/2024	1.15%	0.53%	4.21%

► **Asset Allocation**

Portfolio by Asset Class



Sector Allocation (% of NAV)



► **Top Holdings**

Company	% of NAV
FPT Corp	5.45%
Asia Commercial Bank	4.72%
Military Commercial Bank	4.70%
Bank for Foreign Trade of Vietnam	4.24%
Mobile World Investment	4.05%

Data as of August 31, 2024.

► **Fund Managers’ Commentary**

Following a 50-point drop on August 5, which was primarily due to recessionary worries in the US and possible unwind of global carry trades, the VN-Index has shown resilience, regaining ground for a 2.7% gain for August, thanks to: 1) 2Q24 earnings results of listed companies in HOSE were remarkable at +20.6% YoY; 2) Easing FX pressures prompting the SBV to reduce T-bill and OMO rates, bringing the OMO rates down to 4.25% p.a. and T-bill rates down to 4.15% p.a; 3) improved credit growth figures. The top performing sectors were: 1) energy (+5.2% mom), driven by PLX (+7.6% mom) and GAS (+4.9% mom), thanks to positive 2Q24 business results and the benefits of the new petroleum trading decree; and 2) retail (+4.8% mom), due to positive investor sentiment regarding BHX’s first-ever profit.

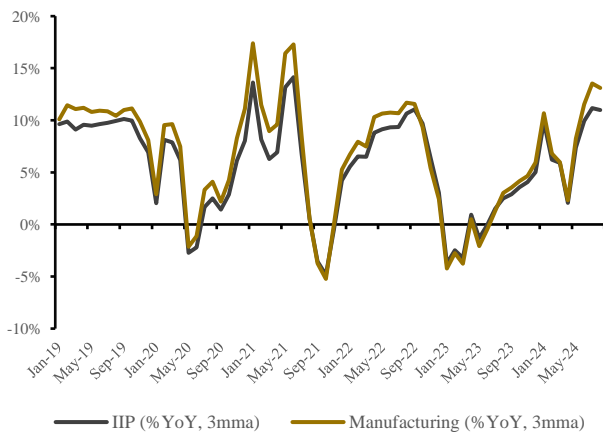
PHVSF increased 1.15% in August, underperforming the VN Index by 143 basis points. There are 2 reasons for the significant performance difference. First, we tilted our portfolio into a more defensive stance. Second, the Fund did not hold stocks of a big real estate conglomerate due to corporate governance and financials concerns. The three stocks of the group contributed a total of 0.58

percentage points of index increase. The current market lacks direction and is seesawing. Sector rotation is very rapid and short-lived. It is impossible to chase every short rally, so we will remain existing barbell strategy – holding both quality and turnaround stocks.

With inflation under control, the Fed is now shifting its focus to the labor market and economic growth. Fed Chair Powell hinted at an imminent change in monetary policy, suggesting that interest rate cuts are likely. Following Powell’s speech, the DXY edged lower to less than 100.7, with investors forecasting a 61.5% likelihood the Fed will cut rates by 25 bps in September and a 38.5% chance of a 50-bps cut.

We expect the lower US policy interest rates to support Vietnam’s stock market due to eased currency depreciation pressure. However, we’ve seen early signs of slowdown in the global economy, especially in the US. US treasury yield curve has been inverted for a long time and manufacturing PMI has been below 50 for since 4Q22. In July, the 3-month moving average of the unemployment rate rose more than 0.5 percentage points relative to its low during the previous 12 months. Historically, it indicates a weaker economic outlook. Historical data indicates that the VN Index typically sees an initial rise following a Fed rate cut, but tends to decline within a year, in conjunction with a US recession. The underlying economy, rather than Fed rates, is the key driver of market trends. The positive currency movement, constructive policy supports, and the uncertain global economic outlook might limit the market in a range.

Robust manufacturing activities

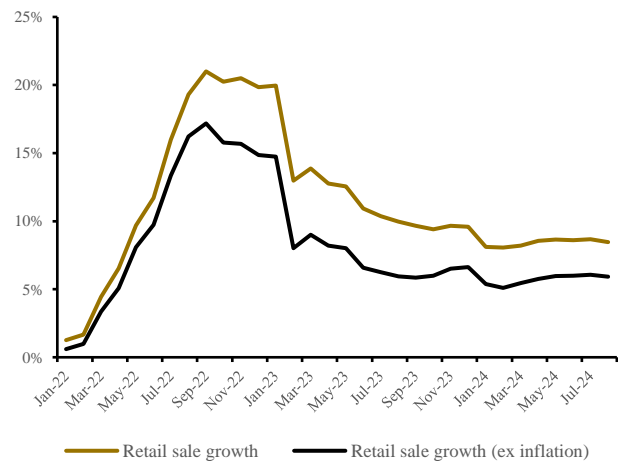


Source: GSO, PHFM compilation

► Economic Overview

Economic activity remained strong in August, with both exports and imports experiencing robust growth. This contributed to an expansion in manufacturing, up 10.6% yoy in August and 9.7% yoy in 8M24, as well as in electricity generation, up 9% yoy in August and 10.9% yoy in 8M24. Inflation moderated, bringing the average CPI of 8M24 to 4.04% yoy, within the SBV target. We expect the inflation to tick up due to the impact of Typhoon. However, public investment grew only 1.3% yoy in August and 2% y/y in 8M24, reaching less than 50% of the annual plan, suggesting a need for further acceleration in fiscal support. FDI disbursements grew at a slower pace in August and reached 8% yoy in 8M24. Retail sales rose at their slowest pace since February. Tourist arrivals have yet to reach their full potential, partly due to less favorable visa conditions compared to competitors. Visitors from China (2.4mn in 8M24), for example, remained significantly below pre-COVID levels. We don’t expect the number of Chinese tourists to recover any time soon, as Chinese consumption remains weak. The VND appreciated for the 2nd month, supported by the SBV’s continued monetary easing to drive economic growth. The stabilized currency rate is very supportive of stock market sentiment.

Moderate recovery of domestic consumption



Source: GSO, PHFM compilation

► **Top Contributor and Dragger of The Month**

Top Contributor: Mobile World Investment (MWG)

MWG contributed 36 basis points of return to PHVSF in August. MWG is the owner of the leading mobile phone retail, consumer electronics retail, and modern grocery retail chains in Vietnam. BHX, MWG's food retail brand, has become a main driver of MWG's share prices. The business has shown upbeat sales improvement thanks to its increased focus on fresh food. MWG has performed well in the past few months. We will rebalance the stock when it reaches our target price.

Top Dragger: Hoa Phat Group (HPG)

HPG contributed 23 basis points of loss in August. HPG is the largest manufacturer of construction steel and steel pipes in Vietnam, holding market shares of 34.7% and 28.27%, in 2023. Additionally, HPG is the only Vietnamese enterprise capable of producing hot-rolled coil (HRC) steel. Weak domestic demand for steel, particularly HRC, combined with continued production, has led to oversupply in China. This has spurred a surge in exports, especially to neighboring countries in ASEAN. The concerns of Chinese steel dumping triggered the correction of HPG share prices. We are currently reviewing our Market Weight allocation for this position.

For further information:

Address: Unit 4, 21st Floor, Phu My Hung Tower, No.8 Hoang Van Thai Street, Quarter 1, Tan Phu Ward, District 7, Ho Chi Minh City

Funds Hotline: (+84 28) 5413 7991

Email: cskh@phfm.vn

Website: www.phfm.vn

Disclaimer

This publication is for information only, and is not a recommendation, offer or solicitation for the purchase or sale of any capital markets products or investments and does not have regard to your specific investment objectives, financial situation, tax position or needs.

You should read the prospectus of the relevant fund which are available and may be obtained from Phu Hung Fund Management JSC (“PHFM”) or any of its distributors, consider if a fund is suitable for you and seek such advice from a financial adviser, if necessary, before deciding whether to invest in the fund.

Investments in our funds are not obligations of, deposits in, guaranteed or insured by PHFM or any of its affiliates and are subject to investment risks including the possible loss of the principal amount invested. The performance of a fund is not guaranteed and the value of units in a fund and the income accruing to the units, if any, may rise or fall. Past performance, payout yields and payments as well as any predictions, projections, or forecasts are not necessarily indicative of the future or likely performance, payout yields and payments of a fund. Any extraordinary performance may be due to exceptional circumstances which may not be sustainable. Any references to specific securities are for illustration purposes and are not to be considered as recommendations to buy or sell the securities. It should not be assumed that investment in such specific securities will be profitable. There can be no assurance that any of the allocations or holdings presented will remain in the fund at the time this information is presented. Any information (which includes opinions, estimates, graphs, charts, formulae, or devices) is subject to change or correction at any time without notice and is not to be relied on as advice. You are advised to conduct your own independent assessment and investigation of the relevance, accuracy, adequacy, and reliability of any information or contained herein and seek professional advice on them. No warranty is given and no liability is accepted for any loss arising directly or indirectly as a result of you acting on such information. The fund may, where permitted by the prospectus, invest in financial derivative instruments for hedging purposes or for the purpose of efficient portfolio management. PHFM, its related companies, their directors and/or employees may hold units of a fund and be engaged in purchasing or selling units of a fund for themselves or their clients.