



Quynh Le
Lead Portfolio Manager

At a Glance

- VEF's NAV decreased by 0.7% in November, in line with a 0.7% decline from the Vietnam Index (VNI).
- We opportunistically topped up our banking names after two months of profit-taking created an attractive entry point as valuations cooled.
- We also added to brokerages based on the possible FTSE EM upgrade in 2025, which would likely result in increased retail sentiment and foreign flow.

Performance (%)

All reporting on this page is in total return US dollar terms from the last business day in Vietnam unless otherwise stated

	Net Assets	NAV/Share	YTD	1 Month*	3 Months	1 Year	3 Years	5 Years	10 Years
VEF A (USD)	\$229.48mn	\$32.08	13.2	-0.7	-3.6	16.6	-19.4	43.5	161.0
VEF B (EUR)	€62.31mn	€1,719.84	19.7	1.7	1.3	21.9	-12.7	52.9	N/A
VNI (Reference Index)	N/A	N/A	7.8	-0.7	-3.8	11.5	-20.4	28.1	131.9

Fund Commentary

Past performance cannot be relied upon as a guide to future performance
*Data reporting from 30 October due to Singapore public holidays

After a month of profit-taking and risk aversion pre-US election, the market began to stabilise towards the end of November. We continued to calibrate the portfolio, fine-tuning some of our positions in banking and brokerages while servicing a few redemptions earlier in the month.

Our banking holdings saw two consecutive months of profit-taking after rising 22.2% ending September. In response, we opportunistically increased our holdings in the sector as the market corrected, capitalising on resilient earnings potential and attractive valuations. The SBV stated the 15% annual credit growth target is on track, currently around 12.5%, with most of our private commercial banks recording credit growth above the sector average and receiving additional quotas. NIM has been resilient through varying economic conditions, aided in part by advances in digitalisation, and NPLs remain within manageable limits. We are optimistic about the continued pro-growth government policies and increased public investment, which we believe will have positive spillover effects on the sector. Currently, the sector's valuation is undemanding with most banks at the very low end of their 5-year PB range. We also topped up on brokerages, motivated by the possible FTSE secondary EM upgrade next year and the rising interest in the stock market by local investors, evidenced by an additional 2 million brokerage accounts YTD.

MWG was the largest detractor after a strong retail sector rally with a 9.3% drop. Fundamentally, MWG is in good shape: 3Q24 results saw YoY revenue growth of 12.7% and earnings growth of 19x from a low base, as inventory issues in the phone/CE segment phased out and the grocery segment reached a critical profit-making inflection point at the store level. We expect solid earnings growth of circa 30% in 2025, driven by improvements and expansion in BHX, alongside the possible absence of one-off expenses related to store closures from restructuring.

Stock in Focus: Gemadept (GMD)

Established, in 1990, GMD is Vietnam's largest private port operator and logistics service provider with a market capitalisation of \$1.1bn. Operating a network of seaports across the country, GMD capitalises on Vietnam's expanding trade and strategic location as a hub for international shipping, aligning with our thesis on infrastructure development and the rising importance of trade in the nation's economic growth.

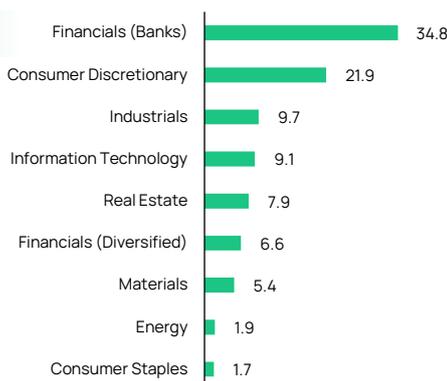
9M24 business results were strong, with total throughput up 31% YoY to 2.9 million Twenty-Foot Equivalent Units (TEUs) across GMD's network. Northern Nam Dinh Vu port handled 900,000 TEUs, (+15% YoY), while southern Gemalink serviced 1,292,000 TEUs, a remarkable 95% YoY increase as trade rebounded across industries recovering from challenges in 2023. This performance lifted 9M24 revenue to \$135mn, (+21.6% YoY), with FY24 revenue forecast at \$178mn (+17.6% YoY). Earnings growth was similarly strong, up 52% YoY for 9M24 and forecast at +54% YoY for FY24.

Looking ahead, Gemalink's next expansion phase, which will raise capacity by 40% to 2.1 million TEUs, is a key driver of long-term growth. To support this expansion, GMD completed a rights issue in 3Q24, raising approximately \$117mn to expand port capacity and acquire vessels, barges, and cranes, enhancing its logistics capabilities. GMD's strategic positioning and ongoing investments in capacity and logistics underscore its long-term growth potential. We maintain a positive outlook, encouraged by its leading role in Vietnam's infrastructure development and ability to capture market share in the port and logistics sectors as the nation's export sector continues to gain momentum.

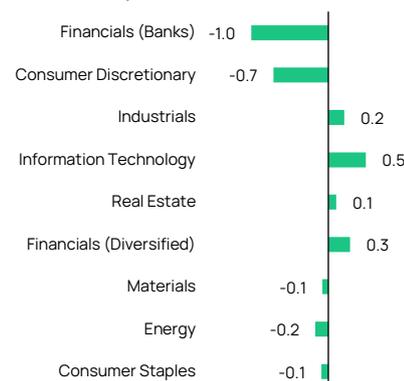
Top Ten Holdings (60.2% of AUM)

Company	Ticker	Sector	VEF (%)	VNI (%)	CH (%)
FPT Corporation	FPT	Information Technology	9.1	4.1	5.9
FPT Retail	FRT	Consumer Discretionary	7.9	0.5	2.4
Mobile World	MWG	Consumer Discretionary	7.7	1.7	-9.3
Phu Nhuan Jewelry	PNJ	Consumer Discretionary	6.3	0.6	-2.3
MB Bank	MBB	Financials (Banks)	5.9	2.5	-3.8
Gemadept	GMD	Industrials	4.8	0.5	-1.2
VP Bank	VPB	Financials (Banks)	4.7	3.0	-6.6
Asia Com. Bank	ACB	Financials (Banks)	4.7	2.2	-1.0
Vietinbank	CTG	Financials (Banks)	4.6	3.7	-0.1
Sacombank	STB	Financials (Banks)	4.6	1.2	-5.6

Sector Breakdown



Monthly Contribution



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Key Indicators

Item	Unit	2020	2021	2022	2023	2024F	2025F
GDP	\$bn	346.6	366.1	408.8	430.0	465.6	502.1
Real GDP Growth	%	2.9	2.6	8.0	5.1	6.8	6.8
Services Growth	%	2.5	1.2	10.0	6.9	7.5	8.2
Agriculture Growth	%	2.8	2.9	3.4	2.6	3.0	2.8
Ind'l and Const'n Growth	%	3.3	4.1	7.8	3.5	7.8	7.5
Retail Sales Growth	%	2.6	-3.8	10.2	8.3	6.4	7.2
Prices							
CPI (Average YoY)	%	3.2	1.8	3.2	3.3	3.7	4.0
Money, FX and Interest Rates							
Money Supply M2	%	14.5	8.9	6.2	12.5	12.7	13.0
Average Lending Rate	%	8.6	8.5	13.7	8.7	8.2	8.7
5-yr VGB	%	1.1	0.9	4.7	1.6	1.4	1.7
VND : \$	\$1	23,085	22,800	23,550	24,250	25,300	25,800
External Sector							
Trade Balance	\$bn	19.9	3.3	12.4	28.0	25.1	30.2
Current Account	\$bn	15.1	-7.8	-1.5	17.4	20.7	22.4
Current Account / GDP	%	4.3	-2.1	-0.4	4.0	4.4	4.5
FDI Registered	\$bn	28.5	38.5	27.7	36.6	35.0	38.0
FDI Disbursement	\$bn	20.0	19.8	22.4	23.2	24.2	25.0
FX Reserves	\$bn	98.0	106.5	85.0	89.0	85.0	90.0
Public Debt Fiscal Balance							
External Debt	\$bn	130.1	138.8	141.2	138.0	140.3	151.0
Government	\$bn	49.0	47.9	48.8	44.4	44.5	47.8
Enterprises (incl. FDI)	\$bn	81.1	90.9	92.4	93.6	95.8	103.2
External Debt (% GDP)	%	37.5	37.9	34.5	30.3	30.3	30.1
Fiscal Balance (% GDP)	%	-3.9	-4.0	-4.0	-3.6	-3.6	-3.8

All forecasts are Dragon Capital estimates



Key Stock Market Data

	HSX		HNX		UPCoM		Total	
	30-Nov-23	30-Nov-24	30-Nov-23	30-Nov-24	30-Nov-23	30-Nov-24	30-Nov-23	30-Nov-24
Market cap (\$m)	181,640	202,690	12,566	12,774	43,083	61,797	237,288	277,261
Number of stocks	395	392	330	312	859	887	1,584	1,591
Number of large cap stocks (> \$400m)	70	75	9	11	18	18	97	104
Stocks with no room for foreigners	64	65	94	94	232	267	390	426
Market cap of stocks with no room (\$m)	23,385	17,445	1,902	1,775	13,511	22,652	38,799	41,872
Share of Market Cap with No Room (%)	12.9	8.6	15.1	13.9	31.4	36.7	16.4	15.1

Top 25 Companies by Market Cap

No	Company	30-Nov Price (VND)	Price YTD (%)	Mkt Cap (\$m)	Wt in VNI (%)	PER			PBV			Yield		
						2023 (x)	2024E (x)	2025E (x)	2023 (x)	2024E (x)	2025E (x)	2023 (%)	2024E (%)	2025E (%)
1	Vietcombank	93,300	16.2	20,574	10.20	15.6	17.1	15.9	2.7	2.6	2.2	-	-	-
2	Airports Corporation VN	125,700	90.5	10,796	-	22.1	34.0	28.1	2.9	4.5	3.8	-	-	-
3	BIDV	46,750	7.7	10,514	5.20	15.2	15.2	13.3	2.1	2.0	1.7	0.1	-	-
4	FPT	144,300	75.1	8,375	4.10	20.4	30.1	25.2	4.8	7.1	6.1	2.4	1.9	2.2
5	Vietinbank	35,750	31.9	7,574	3.70	8.5	9.3	7.4	1.2	1.3	1.1	-	-	-
6	Hoa Phat Group	26,750	5.3	6,751	3.30	24.3	13.8	11.0	1.6	1.5	1.4	-	1.3	1.7
7	Vinhomes	40,800	-5.6	6,612	3.30	5.6	6.1	6.4	1.0	0.9	0.7	-	-	-
8	Masan Consumer	229,800	192.6	6,570	-	7.9	20.6	18.4	2.2	4.9	3.9	0.4	-	-
9	Techcombank	23,600	53.0	6,560	3.20	6.2	7.5	6.5	0.8	1.1	1.0	-	3.2	3.2
10	PV Gas	69,600	1.3	6,433	3.20	14.2	16.1	16.6	2.5	2.4	2.3	4.1	4.3	4.3
11	Vingroup	40,500	-9.2	6,110	3.00	79.1	679.5	30.4	1.5	1.3	1.2	-	-	-
12	VP Bank	19,150	5.0	5,994	3.00	14.5	10.0	8.5	1.1	1.0	1.0	5.2	3.0	3.5
13	Vinamilk	64,600	0.2	5,327	2.60	17.0	15.6	15.0	4.3	4.2	4.1	5.8	6.0	6.0
14	Military Bank	24,150	32.3	5,056	2.50	4.7	5.8	5.1	1.0	1.1	0.9	2.3	-	-
15	ACB	25,200	25.5	4,441	2.20	5.7	6.8	6.1	1.3	1.3	1.1	3.6	1.5	1.7
16	Masan Group	73,200	9.3	4,154	2.00	229.0	48.8	26.4	3.6	3.7	3.2	0.3	0.2	0.2
17	Mobile World	60,500	42.5	3,490	1.70	370.4	22.5	16.5	2.7	3.2	2.8	1.2	0.9	1.8
18	LienViet Post Bank	32,250	104.8	3,254	1.60	7.2	10.4	9.2	1.2	2.0	1.6	-	-	-
19	HD Bank	25,350	30.0	2,913	1.40	5.6	5.7	4.8	1.3	1.3	1.0	4.3	-	-
20	Sabeco	56,100	-5.7	2,839	1.40	18.9	16.9	16.2	3.2	3.0	3.0	4.2	6.2	6.2
21	Becamex IDC	66,500	7.3	2,716	1.30	26.5	28.6	27.3	3.5	3.3	3.2	1.3	-	-
22	Sacombank	33,300	19.1	2,477	1.20	6.8	7.1	5.9	1.2	1.2	1.0	-	-	-
23	Vietnam Airlines	27,900	127.8	2,438	1.20	neg	10.1	11.2	neg	neg	neg	1.1	-	-
24	Binh Son Refining	19,700	9.0	2,410	-	6.5	53.2	25.7	1.0	1.1	1.1	3.8	3.6	3.6
25	VIB	19,000	20.2	2,233	1.10	5.6	8.1	6.7	1.2	1.3	1.2	6.4	-	-

All forecasts are Dragon Capital estimates

Fund	Bloomberg	ISIN	LEI	SEDOL	CUSIP	Listed
VEF-A	VIETNAM ID	IE00BD5HPH84		-	-	-
VEF-B	VIETEUR ID	IE00BV8WVB25	254900EVTJZ4VAUG4M43	-	-	-
VEF-C	VIETGBP ID	IE000LEKRJK0		-	-	-

Price Providers	Funds	Bloomberg	Contact
SEI Investments	VEF	-	Transfer Agency Department TADublin@seic.com

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

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