

# KIM Vietnam Growth I USD

June 2021

All materials are reviewed by Compliance Officer (No. 2021-0000)

## KIM IN VIETNAM

Established presence in Vietnam since 2006, KIM has over 10 years of track record of managing Vietnam equity. Currently in Top two largest funds in Vietnam with over USD 1.6 billion assets under management as of 30 June 2021.

## INVESTMENT OBJECTIVE

The objective is to seek long-term outperformance by examining potential and sustainable growth of a company. We select market leading companies with long-term growth trend backed by rising middle class and domestic consumption, etc.

## EXPERTISE

Fund Managers:  
Danny Lee, SK Bae, Mike Nguyen

## SNAPSHOT

Global Category	Asia ex-Japan Equity
Share class launch	2018-01-17
Base Currency	US Dollar
NAV Frequency	Daily
Fund Legal Structure	SICAV
Domicile	Luxembourg
ISIN	LU1586949999
Bloomberg Code	KIMVGIU LX Equity
Transfer Agent	State Street Bank
Benchmark Index	FTSE Vietnam TR USD
Total NAV	US\$ 44.72mn
Current charge	Management fee: 1.5% Subscription fee: 0.0% Redemption fee: 0.0%

## STATISTICS

Time Period: 2020-01-02 to 2021-06-30

	Fund	Index
Gain/Loss Ratio	1.4	1.3
Tracking Error	13.4	0.0
IR (arith)	2.8	
Std Dev	30.1	29.2

Source: KIM (Since manager change)

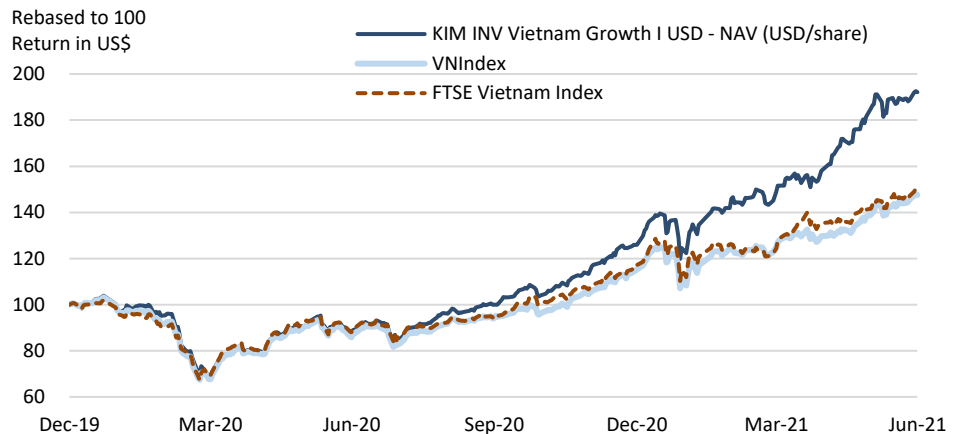
## CONTACT US

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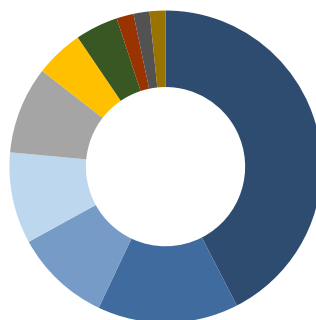
Source: KIM, Bloomberg

## FUND PERFORMANCE



	1M	3M	6M	YTD	1YR	3YR	Since Inception
Fund I USD	3.8	29.1	52.7	52.7	120.3	79.8	56.5
Excess return (I USD)	-2.3	8.1	24.4	24.4	49.7	35.3	26.0

## SECTOR ALLOCATION



	%
Financials	40.3
Industrials	14.8
Not Classified	9.8
Materials	9.8
IT	9.1
Consumer Disc.	5.8
Real Estate	5.2
Utilities	1.9
Health Care	1.8
Consumer Staples	1.5
<b>Total</b>	<b>100.0</b>

Portfolio Date: 2021-06-30

## TOP 10 HOLDINGS

Name	Ticker	% NAV
FPT Corp	FPT	9.1%
Techcombank	TCB	8.6%
Sacombank	STB	7.3%
VPBank	VPB	6.4%
MB Bank	MBB	5.3%
Nam Kim Steel	NKG	5.0%
Gemadept Corp	GMD	4.9%
Hoa Phat Group	HPG	4.8%
Gelex Group	GEX	4.1%
Vietinbank	CTG	4.0%

## ATTRIBUTORS & DETRACTORS

Name	Ticker	CTR <sup>1</sup>
<b>Attributors</b>		
Gemadept Corp	GMD	0.7%
MB Bank	MBB	0.7%
Viconship	VSC	0.5%
FPT Corp	FPT	0.4%
<b>Detractors</b>		
Hoa Phat Group	HPG	-0.2%
VPBank	VPB	-0.2%
Techcombank	TCB	-0.2%
Sacombank	STB	-0.6%

Note: <sup>1</sup> Contribution to return (CTR)

# KIM Vietnam Growth I EUR

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## KIM IN VIETNAM

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## EXPERTISE

Fund Managers:  
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## SNAPSHOT

Global Category	Asia ex-Japan Equity
Share class launch	2018-06-18
Base Currency	EUR
NAV Frequency	Daily
Fund Legal Structure	SICAV
Domicile	Luxembourg
ISIN	LU1586951466
Bloomberg Code	KIMVGIE LX Equity
Transfer Agent	State Street Bank
Benchmark Index	FTSE Vietnam TR USD
Total NAV	US\$ 44.72mn
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## STATISTICS

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Gain/Loss Ratio	1.4	1.2
Tracking Error	14.9	0.0
IR (arith)	2.3	
Std Dev	31.2	30.4

Source: KIM (Since manager change)

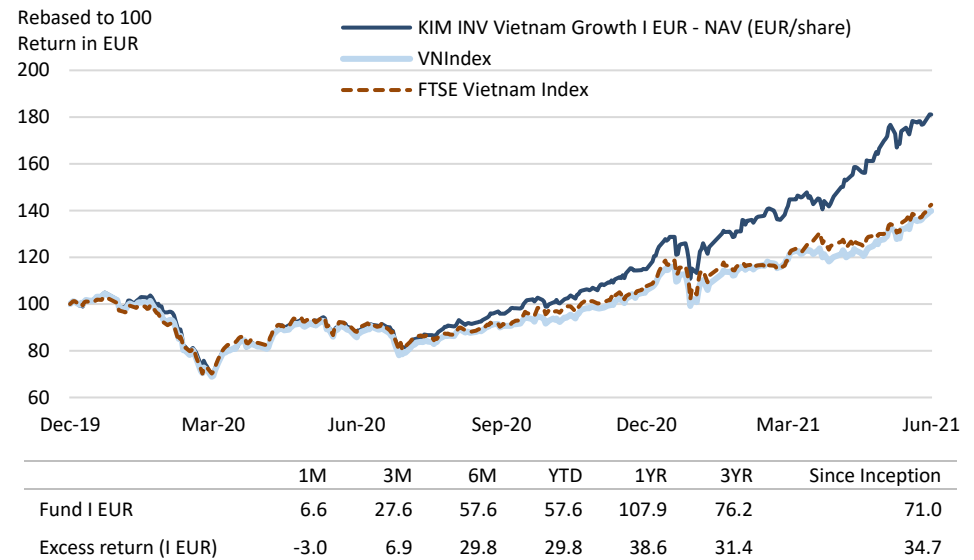
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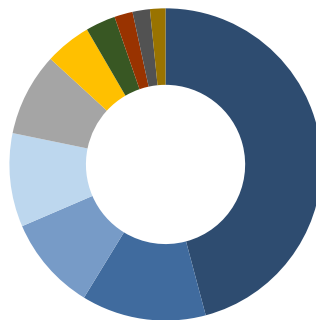
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Source: KIM, Bloomberg

## FUND PERFORMANCE



## SECTOR ALLOCATION



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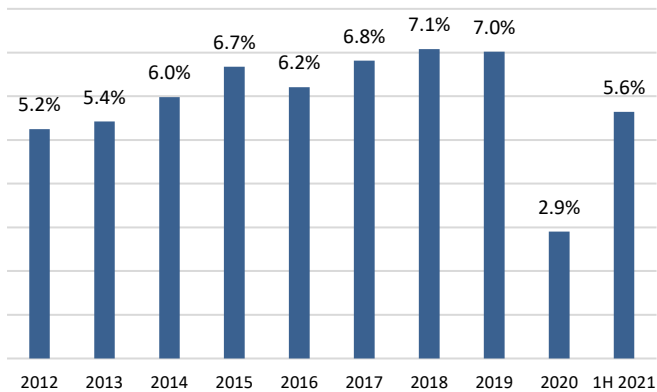
## KIM Vietnam Growth Fund (SICAV)

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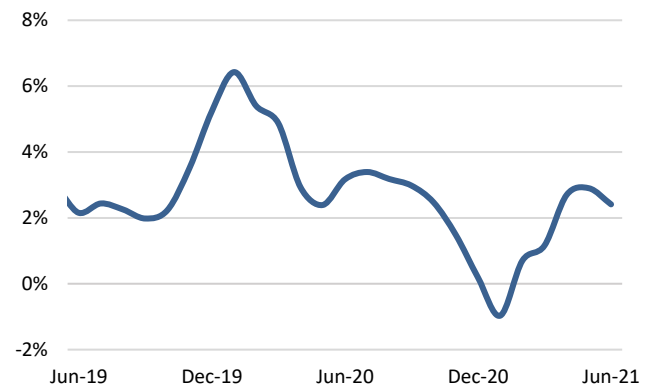
### MACROECONOMY

Macro data in June showed a hit on the economic growth as production and consumption are disrupted by the fourth Covid wave, while investments and trade still indicated resilience, and inflation remained under control. Vietnam reported 2Q21 GDP rose by 6.6% YoY, bringing 1H21 growth to 5.6% YoY compared to the government's target of 6.5% for 2021. Growth had slowed down recently due to lower industrial production growth (+6.7% YoY in Jun vs. 11.8% YoY in May) and weaker retail sales (-6.6% YoY in Jun vs. -1.0% YoY in May). On the flipside, public investments accelerated up +12.0% MoM, and export and import turnovers continued to stay at high levels in June. These encouraging results helped to alleviate the economic impact of the covid disruption. Inflation was well controlled at +2.4% YoY in Jun, lower than +2.9% YoY in May, in which transportation and housing & construction material prices remained swing factors as affected by global crude oil and materials markets. Covid resurgence is suggesting near-term headwinds for the economy and corporate earnings, which may slow the growth pace but would not change the economic direction for the rest of the year.

#### Vietnam Real GDP Growth



#### Vietnam Inflation



#### Monthly Macro Scorecard

	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Units
Retail Sales	19.0	19.6	20.0	20.0	20.8	18.3	17.4	17.8	16.9	16.6	US\$bn
Retail Sales growth	5.0	7.5	7.7	7.1	6.4	8.2	9.2	30.9	-1.0	-6.6	%YoY
IIP	4.8	3.9	6.0	9.5	22.2	-7.2	3.9	24.1	11.8	6.7	%YoY
PMI	52.2	51.8	49.9	51.7	51.3	51.6	53.6	54.7	53.1	44.1	Index
Exports	27.5	26.7	24.8	27.7	28.5	20.2	28.6	25.5	26.0	26.5	US\$bn
Export growth	17.7	10.5	8.6	22.7	50.5	8.6	19.2	44.9	35.6	17.3	%YoY
Imports	24.0	24.5	24.2	27.9	26.4	20.6	28.2	27.0	28.0	27.5	US\$bn
Import growth	6.7	8.9	13.4	22.4	41.0	11.6	27.7	43.5	56.4	33.5	%YoY
Trade balance	3.5	2.2	0.6	-0.3	2.1	-0.8	0.4	-1.5	-2.0	-1.0	US\$bn
Disbursed FDI	2.3	2.0	1.4	2.9	1.5	1.0	1.6	1.4	1.7	2.1	US\$bn
Registered FDI	1.7	2.3	2.9	2.1	2.0	3.5	4.7	2.1	1.8	1.3	US\$bn
Government investment	2.2	2.2	2.4	2.6	1.0	0.8	1.2	1.3	1.5	1.7	US\$bn
Inflation	3.0	2.5	1.5	0.2	-1.0	0.7	1.2	2.7	2.9	2.4	%YoY

#### Other Key Economic Indicators

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021F*	Units
Retail Sales	111.5	124.1	137.8	144.2	154.9	173.2	189.4	213.2	219.1	236.6	US\$bn
Retail Sales Growth	16.0	12.6	10.6	9.5	10.2	10.9	11.7	11.9	2.8	8.0	%YoY
Exports	114.6	132.2	150.0	162.4	175.9	213.8	244.7	263.5	281.5	295.5	US\$bn
Exports Growth	18.3	15.4	13.6	8.1	8.6	21.1	13.8	8.1	6.5	5.0	%YoY
Imports	114.3	131.3	148.1	165.6	173.3	211.1	237.5	253.5	262.4	270.3	US\$bn
Imports Growth	7.1	15.4	12.1	12.0	4.6	20.8	11.5	7.0	2.4	3.0	%YoY
Trade balance	0.3	0.9	2.0	-3.2	2.7	2.7	7.2	9.9	19.1	23.0	US\$bn
Disbursed FDI	10.5	11.5	12.4	14.5	15.8	17.5	19.1	20.4	20.1	21.0	US\$bn
Government Investment	9.8	9.7	9.7	9.8	11.8	12.8	14.0	14.8	20.2	19.6	US\$bn
Bank Deposit Rate	7.8	6.5	5.7	5.4	5.4	5.3	5.5	5.0	3.9	4.0	%
Exchange rate	20,840	21,095	21,388	22,485	22,761	22,698	23,175	23,173	23,098	23,150	USD/VND

Source: General Statistics Office of Vietnam, (\*) Government Target and Brokers' Forecast

# Monthly Commentary

June 2021

## KIM Vietnam Growth Fund (SICAV)

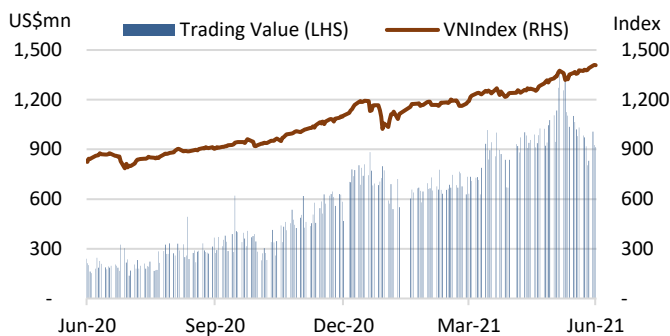
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### STOCK MARKET

**Market movement:** The VN-Index closed June at a new high of 1,408.6 pts, up +6.1% MoM, extending the winning streak to five consecutive months with a YTD return of 27.6%. Vietnam market has become the best performing market in ASIA for the first half of 2021. Mid and small-cap stocks led this month, with the VN70 and VNSC (small cap) respectively recording +5.8% MoM and +5.2% MoM while the large-cap stocks (VN30) gained +3.7% MoM.

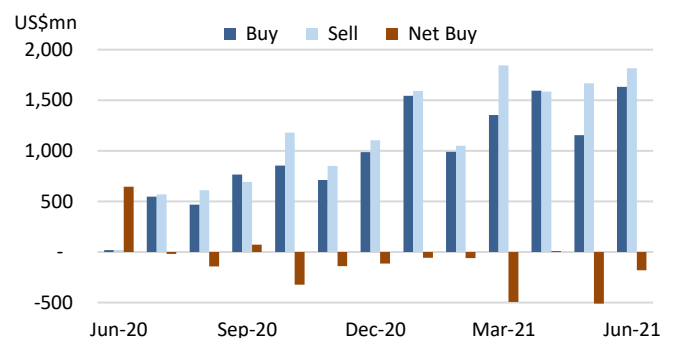
**Sector performance:** Although all sectors ended in positive territory, market sentiment was a bit mixed this month. Thanks to robust growth in new accounts opening, market liquidity continuously improved in the first weeks of the month with daily trading value reaching US\$1.3bn (vs. US\$1.0bn in May). Liquidity gradually decelerated towards month-end as top brokers tightened their margin lending activities for quarter-end reporting. Export companies and oil & gas services rallied on expectations of the U.S. consumption recovery and crude oil price hikes. On the other hand, Covid fourth wave weighed down the most on large-cap stock sentiment, especially in banking stocks as profit-taking increased after a long rally over the past year.

### Market Performance



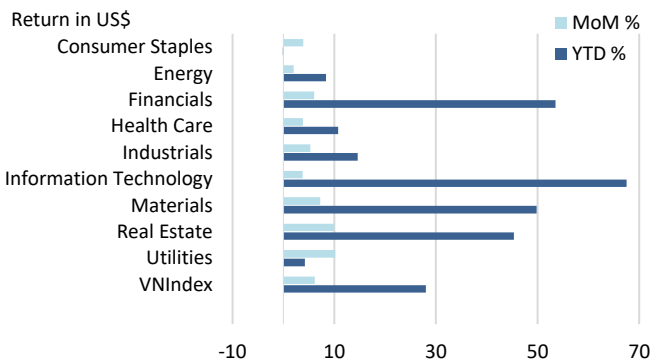
Source: Bloomberg

### Market Money Flow



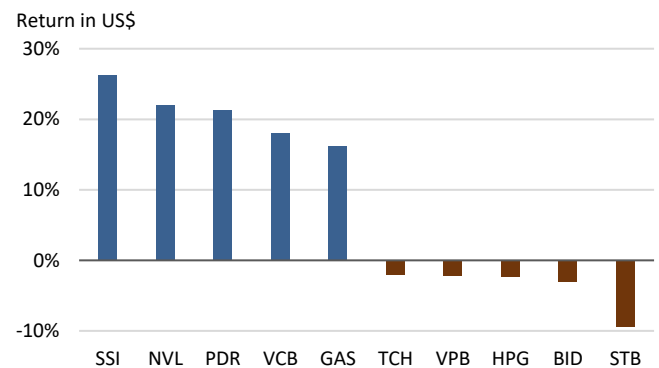
Source: Bloomberg

### Sector Performance



Source: Bloomberg

### 5 Best & Worst Stocks in VN30 Index



Source: Bloomberg

### PORTFOLIO MANAGER'S VIEWS

We heavily overweight the financial sector, with high concentration on private banks, based on our expectation of high credit growth, expanding NIM, improved risk management and attractive valuations. Another high-conviction sector of us for many years has been IT sector, thanks to the solid long-term growth potential and the competitiveness of the local human resources. On the contrary, although we are positive on real estate sector overall, we deeply underweight the sector as we do not find many large-cap names at reasonable valuation. Recently, our performance was strongly supported by our investment in steel producers whose stock prices have appreciated sharply thanks to strong demand and surge in steel prices in both domestic market and overseas markets.

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