

# KIM Vietnam Growth I USD

September 2021

All materials are reviewed by Compliance Officer (No. 2021-0174)

## 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 1.5 billion assets under management as of 30 September 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\$ 46.89mn
Current charge	Management fee: 1.5% Subscription fee: 0.0% Redemption fee: 0.0%

## STATISTICS

Time Period: 2020-01-02 to 2021-09-30

	Fund	Index
Gain/Loss Ratio	1.4	1.2
Tracking Error	13.7	0.0
IR (arith)	2.7	
Std Dev	30.2	29.3

Source: KIM (Since manager change)

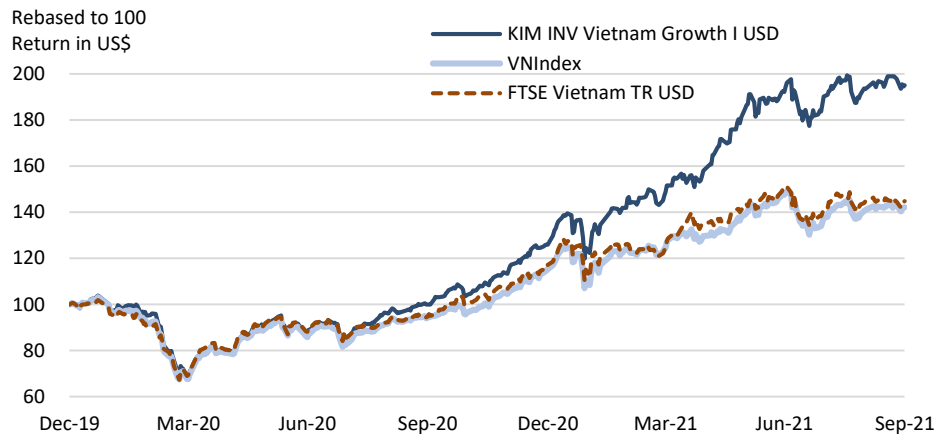
## CONTACT US

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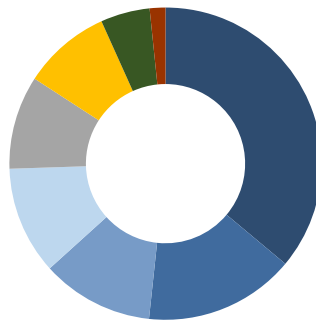
Source: KIM, Bloomberg

## FUND PERFORMANCE



	1M	3M	6M	YTD	1YR	3YR	Since Inception
Fund I USD	0.9	1.5	31.1	55.0	95.0	74.6	58.9
Excess return (I USD)	0.8	5.2	14.5	31.5	42.0	42.4	33.1

## SECTOR ALLOCATION



	%
Financials	36.1
Industrials	15.6
Materials	11.6
Consumer Staples	11.2
IT	9.7
Consumer Disc.	9.1
Real Estate	5.1
Health Care	1.6
<b>Total</b>	<b>100.0</b>

Portfolio Date: 2021-09-30

## TOP 10 HOLDINGS

Name	Ticker	% NAV
FPT Corp	FPT	9.7%
Techcombank	TCB	8.2%
Sacombank	STB	7.6%
Nam Kim Steel	NKG	5.6%
VP Bank	VPB	5.0%
Quang Ngai Sugar	QNS	4.9%
Gemadept Corp	GMD	4.9%
Vinamilk	VNM	4.8%
MB Bank	MBB	4.4%
Mobile World Corp.	MWG	4.2%

## ATTRIBUTORS & DETRACTORS

Name	Ticker	CTR <sup>1</sup>
<b>Attributors</b>		
Nam Kim Steel	NKG	0.9%
Mobile World Corp.	MWG	0.5%
VP Bank	VPB	0.3%
Hoa Phat Group	HPG	0.2%
<b>Detractors</b>		
VietinBank	CTG	-0.1%
Gemadept Corp	GMD	-0.2%
Viconship	VSC	-0.3%
Sacombank	STB	-0.5%

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

# KIM Vietnam Growth I EUR

September 2021

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## KIM IN VIETNAM

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## EXPERTISE

Fund Managers:  
Danny Lee, SK Bae, Mike Nguyen

## 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\$ 46.89mn
Current charge	Management fee: 1.5% Subscription fee: 0.0% Redemption fee: 0.0%

## STATISTICS

Time Period: 2020-01-02 to 2021-09-30

	Fund	Index
Gain/Loss Ratio	1.4	1.2
Tracking Error	15.1	8.1
IR (arith)	2.4	-0.1
Std Dev	30.8	30.8

Source: KIM (Since manager change)

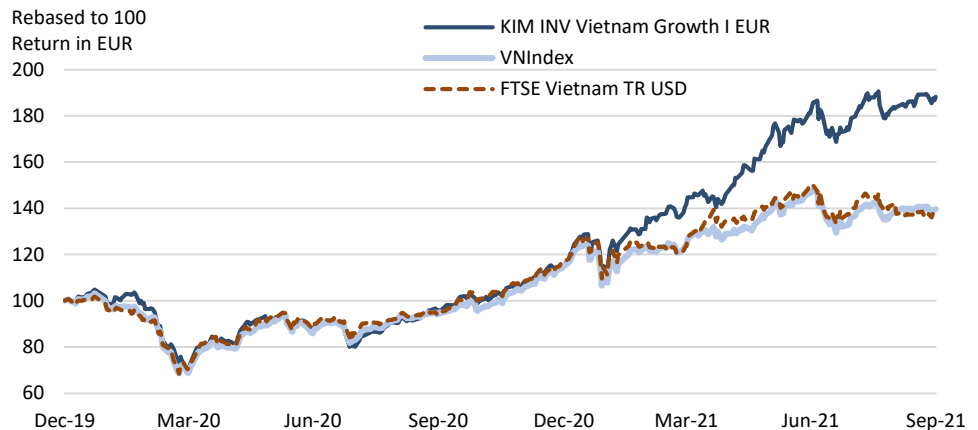
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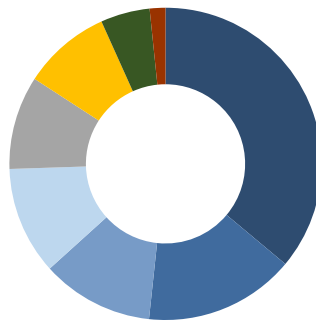
Source: KIM, Bloomberg

## FUND PERFORMANCE



	1M	3M	6M	YTD	1YR	3YR	Since Inception
Fund I EUR	2.8	4.0	32.7	63.8	96.4	74.7	77.8
Excess return (I EUR)	0.8	5.2	14.8	33.0	41.7	42.5	52.1

## SECTOR ALLOCATION



	%
Financials	36.1
Industrials	15.6
Materials	11.6
Consumer Staples	11.2
IT	9.7
Consumer Disc.	9.1
Real Estate	5.1
Health Care	1.6
<b>Total</b>	<b>100.0</b>

Portfolio Date: 2021-09-30

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Viconship	VSC	-0.3%
Sacombank	STB	-0.5%

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

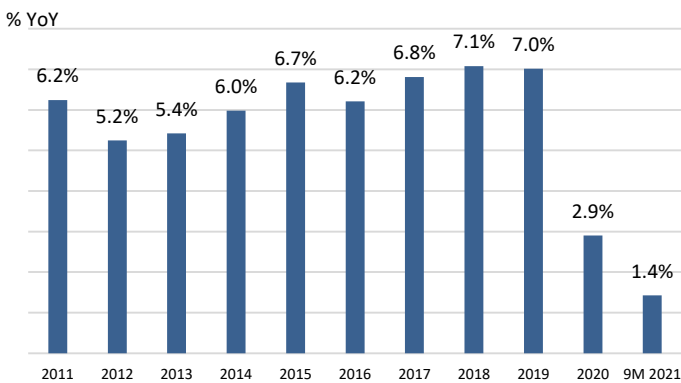
## KIM Vietnam Growth Fund (SICAV)

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

### MACROECONOMY

Macro data in September was weighed down due to COVID lockdown measures. Q3-21 GDP contracted at an unprecedented pace of -6.2% YoY. Overall, 9M-21 GDP was still positive, +1.4% YoY. Manufacturing PMI remained at 40.2 (under 50 for a fourth consecutive months), due to temporary business closures and transportation difficulties. The number of newly registered enterprises recorded 3,899 (-62.2% YoY) in September, registered capital decreasing -69.3% YoY. Moreover, the number of enterprises withdrawing from the market was 90,300, an increase of +15.3% YoY. The total retail sales of consumer goods and services were estimated at VND 308.8tr (-28.4% YoY) in September but increased 6.5% MoM, showing positive COVID19 control in some localities. Domestic mobility also improved by +12.4% MoM, though still in great decrease compared to last year (-70.7% YoY). CPI recorded -0.6% MoM and +2.1% YoY. A trade surplus (USD0.5bn) was reported for the first time since March 2021, thanks to the rebound in tech exports.

### Vietnam Real GDP Growth



### Vietnam Inflation



### Monthly Macro Scorecard

	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Units
Retail Sales	20.0	20.8	18.3	17.4	17.8	16.9	16.6	14.7	12.7	13.6	US\$bn
Retail Sales growth	7.1	6.4	8.2	9.2	30.9	-1.0	-6.6	-19.8	-33.7	-28.4	%YoY
IIP	9.5	22.2	-7.2	3.9	24.1	11.8	6.7	2.2	-7.4	-5.5	%YoY
PMI	51.7	51.3	51.6	53.6	54.7	53.1	44.1	45.1	40.2	40.2	Index
Exports	27.7	28.5	20.2	28.6	25.5	26.0	26.5	27.0	26.2	27.0	US\$bn
Export growth	22.7	50.5	8.6	19.2	44.9	35.6	17.3	8.4	-5.4	-0.6	%YoY
Imports	27.9	26.4	20.6	28.2	27.0	28.0	27.5	28.7	27.5	26.5	US\$bn
Import growth	22.4	41.0	11.6	27.7	43.5	56.4	33.5	29.9	21.2	9.5	%YoY
Trade balance	-0.3	2.1	-0.8	0.4	-1.5	-2.0	-1.0	-1.7	-1.3	0.5	US\$bn
Disbursed FDI	2.9	1.5	1.0	1.6	1.4	1.7	2.1	1.3	1.1	1.7	US\$bn
Registered FDI	2.1	2.0	3.5	4.7	2.1	1.8	1.3	1.0	2.9	3.0	US\$bn
Government investment	2.6	1.0	0.8	1.2	1.3	1.5	1.7	1.7	1.4	1.5	US\$bn
Inflation	0.2	-1.0	0.7	1.2	2.7	2.9	2.4	2.6	2.8	2.1	%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	226.7	US\$bn
Retail Sales Growth	16.0	12.6	10.6	9.5	10.2	10.9	11.7	11.9	2.8	3.5	%YoY
Exports	114.6	132.2	150.0	162.4	175.9	213.8	244.7	263.5	281.5	336.6	US\$bn
Exports Growth	18.3	15.4	13.6	8.1	8.6	21.1	13.8	8.1	6.5	19.6	%YoY
Imports	114.3	131.3	148.1	165.6	173.3	211.1	237.5	253.5	262.4	324.8	US\$bn
Imports Growth	7.1	15.4	12.1	12.0	4.6	20.8	11.5	7.0	2.4	23.8	%YoY
Trade balance	0.3	0.9	2.0	-3.2	2.7	2.7	7.2	9.9	19.1	11.9	US\$bn
Disbursed FDI	10.5	11.5	12.4	14.5	15.8	17.5	19.1	20.4	20.1	21.7	US\$bn
Government Investment	9.8	9.7	9.7	9.8	11.8	12.8	14.0	14.8	20.2	21.2	US\$bn
Bank Deposit Rate	7.8	6.5	5.7	5.4	5.4	5.3	5.5	5.0	4.0	4.0	%
Exchange rate	20,840	21,095	21,388	22,485	22,761	22,698	23,175	23,173	23,098	23,028	USD/VND

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

# Monthly Commentary

September 2021

## KIM Vietnam Growth Fund (SICAV)

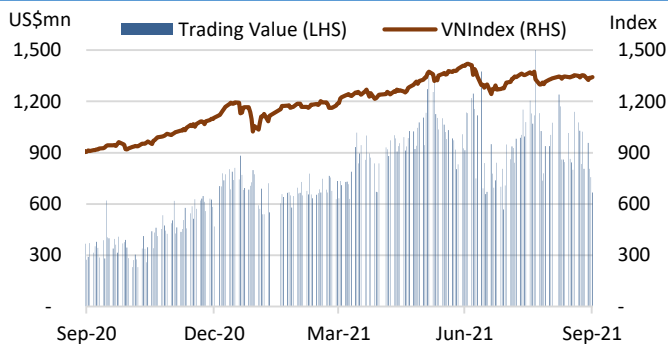
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### STOCK MARKET

**Market movement:** VN-Index closed September with a slight recovery of +0.9% MoM. This month seemed to be longer than ever for the VN stock market due to multiple reasons, i.e., 1) extended lock-down measures, 2) China Evergrande's debt crisis, 3) US Fed FOMC meetings and 4) weak macro data. On the positive side, the vaccination is well under way. 33% adults received at least one dose and 15% have received the second booster shot as of September end. With the current vaccination pace of 400k-450k/day, Ministry of Health expects to reach 50% vaccination by the end of the year, and 100% by April 2022. The number of daily new cases continues to drop, recording an average of circa 7,400 per day this week (vs. last week of 10,000 or last month of 12,000). Hot areas such as HCMC, Binh Duong, and Long An, finally started reopening from the beginning of October. Outside events like the Evergrande crisis and US tapering may continue to weigh on market sentiment, combining with energy crunch issues threatening stagflation ahead. However, when the reopening leads to normal status, investors are expected to highlight the VN economic recovery.

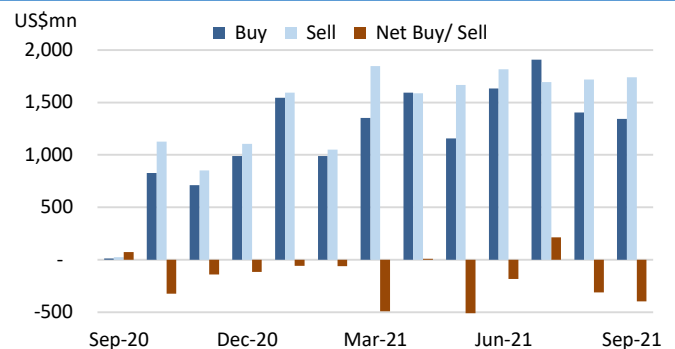
**Sector performance:** Market liquidity in September dropped slightly to an average level of US\$936m/day. Small Cap Index (VNSC) continued its gain with +6.6% MoM, followed by Large-Cap (VN30) +1.9% MoM. Mid-Cap (VN70) ended with a negative growth of -0.4% MoM. Sector performance showed divergence. Highest gainers were Consumer Discretionary (+11.3% MoM), Energy (+7.0% MoM) and Utilities (+6.4% MoM). Whereas Health care (-7.4% MoM) and Real Estate (-3.3% MoM) declined the most.

### Market Performance



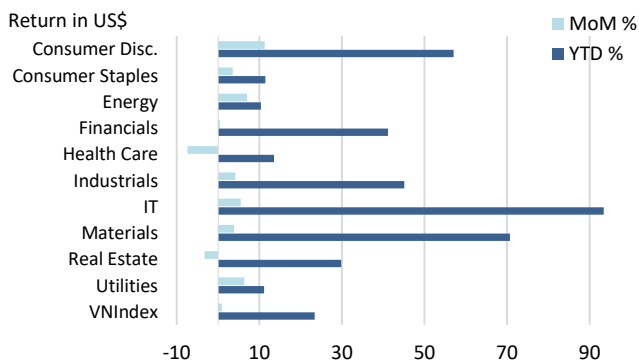
Source: Bloomberg

### Market Money Flow



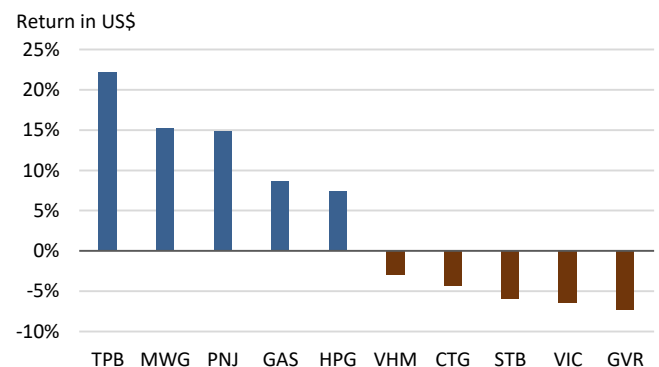
Source: Bloomberg

### 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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