

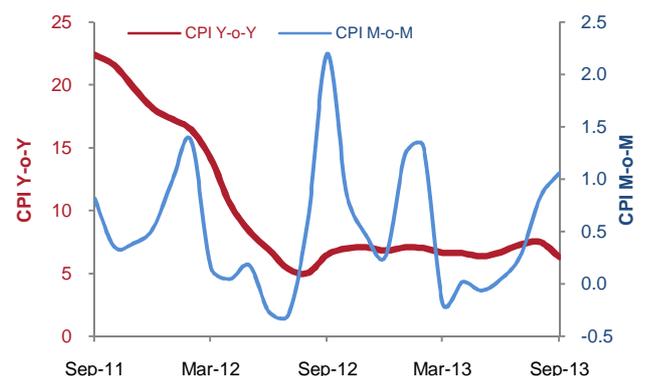
Macroeconomic and Market Update

- Vietnam completed the third quarter of 2013 with a GDP of 5.14% Y-o-Y. GDP in Q3 2013 rose 5.54% against Q2 2013 signaling a strengthening economy in the second half.
- Inflation increased 1.06% on a monthly basis due to increasing education costs during the back-to-school period. Encouragingly, inflation decreased on a yearly basis to 6.3%.
- Credit growth was announced as having fallen slightly to 6.05% as of September 20th, down from 6.4% at the end of August. Despite this, credit growth is expected to recover and possibly even hit the target of 12% for the year.
- The HSBC Purchasing Managers' Index surged to 51.5, solidly above the 50.0 breakeven level and indicating strong conditions in the manufacturing sector. New business and employment ahead of the traditionally increased consumption during Q4 and Q1 2014 were key drivers of the surge with export orders also increasing to a series record level.
- The Vietnam Asset Management Company (VAMC) finally completed its first debt swap deal with state-owned Agribank for \$118 million of non-performing loans (NPLs) for the VAMC's special bonds. Agribank is the nation's largest lender by assets and had a non-performing loan ratio of 5.8% as of the end of 2012. The State Bank of Vietnam (SBV) announced that as of August, NPLs account for 4.64% of total outstanding credit. Now that the VAMC has proved that it is able to acquire bad debt, it remains to be seen how it will convert that debt into equity. Procedures outlining valuation and debt auctions are still being formulated by the SBV.
- The Prime Minister of Vietnam gave an interview during which he made three key statements: 1) that the government is considering a significant lifting of foreign ownership restrictions in Vietnamese banks from 30% to 49%; 2) that state-owned enterprises will be subjected to greater competition within the next two years; and 3) that the government is considering to devalue the Vietnam Dong by perhaps an additional 2% before the end of the year.
- The government announced that the National Assembly will vote on a proposal to increase the planned budget deficit for 2014 to 5.3% of GDP, up from the current 4.8%. Reasons behind this are increased need for infrastructure spending as well as a possible increased shortfall in government revenue following tax cuts.
- The Vietnam Index (VNI) gained 1.8% in EUR terms (up 4.2% in VND terms) to close at 486.61. Interestingly, average daily traded volume fell slightly to \$38mn compared to \$40mn during the previous month, however we saw a shift in sentiment among investors began purchasing desirable large cap stocks. Foreigners switched to net buyers for the first month since May, purchasing about \$14mn during the month.
- In the real estate market, the Ministry of Construction (MoC) submitted a proposed draft that would allow foreigners to own *unlimited* amounts of units (apartments and houses of less than 500sqm) and that leasing activities would be permitted. The MoC later retracted the draft saying it was too lax and that they will submit a revised draft, however it is encouraging that such drastic changes are being considered.

Manager's Assessment: We are very encouraged by the GDP, inflation, and PMI figures that have been released and even optimistic that GDP will manage to hit the target of 5.3% for 2013 with inflation remaining in the high 6% to low 7% range. The currency was steady during September which is why we were somewhat surprised by the PM's statement regarding a possible devaluation. While there is very little pressure on the VND currently, relative to currencies in the region, the VND has been very strong. The government may be considering the devaluation to help exporters and remain competitive in the region. The completion of the VAMC's first debt swap deal is very significant and subsequent deals will hopefully help to remove a large portion of toxic loans from bank balance sheets, to enable the banks to increase lending. However, until it manages to sell the underlying assets, it will act merely as a holding company for bad loans. Currently, the key question most market participants and potential investors are asking is how these loans will be valued and sold. Finally, the PM's statement regarding the raising of foreign ownership restrictions for domestic banks is very significant as it shows that it could become official policy in "the near future". The motivation behind this policy would be to allow for more foreign investment in the banks to inject fresh capital and introduce better governance procedures. Accordingly, there are rumors that a weak local bank's restructuring plan includes a >30% equity stake sale to a large foreign bank. September was dominated by positive developments, hopefully October will continue along that trend, however the current political impasse in the United States surrounding the debt ceiling is slightly worrying.

Indicators	Sep-13	YTD	Y-o-Y	2012
GDP Growth (%)	Q3: 5.5%		5.1%	5.0%
Inflation (%)	1.1%	4.6%	6.3%	6.8%
Exports (\$Bn)	\$11.2	\$96.3	15.5%	\$114.6
Imports (\$Bn)	\$11.3	\$96.3	15.1%	\$113.8
Trade Surplus or (Deficit)	(\$88 Mn)	\$13 Mn	N/A	\$780 Mn
Disbursed FDI	\$1.0 Bn	\$8.6 Bn	6.2%	\$10.5
Registered FDI	\$2.4 Bn	\$15.1 Bn	36.1%	\$7.9 Bn
VND/USD	21,140	1.3%	1.1%	20,860

Source: General Statistics Office of Vietnam (GSO), Vietcombank



NAV per share	€2.49
Outstanding Shares	21,474,510
Share price	€1.57
Discount	37.1%
Total NAV	€53,570,112

Performance

	%	Monthly	YTD	Year End 2011	Since Inception
NAV per share		2.6	19.0	37.3	6.6
Share price		0.0	20.8	51.0	-40.8
VN Index in EUR		1.8	14.5	33.8	-57.7
MSCI EM in EUR		3.8	-8.7	3.2	-13.1
MSCI FM in EUR		0.9	11.3	14.6	-38.9

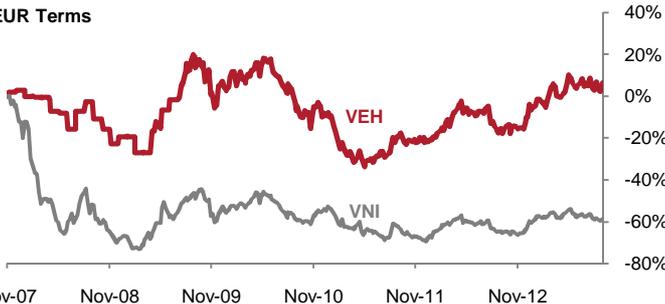
VEH Update

In September, VEH's un-audited NAV per share was €2.49, representing an increase of 2.6% from €2.43 at the end of the prior month. Over the same period, the VN Index increased 1.8% in EUR terms (up 4.2% in VND terms). The NAV increase was mainly due to a 5.0% increase in portfolio value from the increase in prices of listed stocks, offset by a 2.3% unrealized FX loss from the appreciation of the EUR against the VND.

The increase of Vietnam's equity market was primarily driven by purchasing of cheaply priced large cap stocks. This included Vinamilk (VNM) of which at the start of the month, the foreign ownership room was slightly open, meaning that for the first time in a really long time, the premium for foreign owned shares disappeared temporarily and any foreign investor had the opportunity to accumulate VNM shares. However, this did not last long as foreigners became net buyers in the market, recognizing the value that was on offer and VNM's share price increased 8%. PetroVietnam Drilling (PVD) also had a good month with its share price increasing 12%. Another big gainer was real estate stock DIG which jumped by 16%, adding approximately 0.5% to the NAV, in fact on the whole, most of our real estate stocks were positive for the month, most likely on the news of the initiation of deals by the VAMC. Even banking stock VCB gained 9% during the month even though it has not completed any VAMC deals. We took advantage of the down month in August to increase allocations to new positions and many of these performed remarkably well during September.

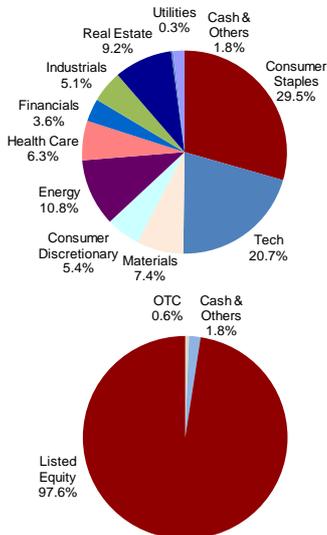
We continue to screen for opportunities to rebalance some of our large cap holdings into stocks with strong fundamentals and higher risk/reward ratios to capitalize on the potential upside gain from the long-term recovery of the Vietnam stock market.

In EUR Terms



Top Holdings	% of NAV
Vinamilk (VNM)	24.7%
FPT Corp (FPT)	18.1%
PetroVietnam Drilling (PVD)	8.4%
Japan Vietnam Medical Instruments (JVC)	4.5%
Phu Nhuan Jewelry (PNJ)	4.3%

Portfolio by Sector and Asset Allocation



About Saigon Asset Management

Established in 2007 in the Cayman Islands with representative offices in Ho Chi Minh City, SAM manages Vietnam Equity Holding (VEH) and Vietnam Property Holding (VPH) and employs over twenty professionals with diverse international financial backgrounds and proven track records.

Saigon Asset Management
TMS Building, 12th floor
172 Hai Ba Trung, District 1
Ho Chi Minh City, Vietnam
Tel: +84-8-5404-3488
Fax: +84-8-5404-3487
Email: IR@saigonam.com
Website: www.saigonam.com

Structure	Cayman Islands registered open-end fund
Funds launch	November 2007
Subscriptions	Prior to each Dealing Day (first business day of each calendar month)
Minimum Initial Subscription	US\$100,000 or its equivalent in another currency
Redemptions	Beginning in June 2014; up to 10% available quarterly; must be submitted a minimum of 60 days before relevant Redemption Day; processed on a pro-rata basis
Redemption Fee	3% of NAV of the redeemed shares
Listed	Stuttgart Stock Exchange
Management Fee	2% of NAV
Performance Fee	20% of gains over 8% hurdle with high water mark
Auditor	Grant Thornton
Legal Counsel	Reed Smith LLP & Appleby
Administrator	Deutsche Bank (Cayman) Ltd
Custodian	Deutsche Bank AG, Ho Chi Minh City Branch
Clearing/Settlement	Euroclear or Clearstream
Market Makers	886 AG +49 6101 98861 18, www.886ag.de LCF Rothschild +44 207 845 5900, www.lcfr.co.uk Numis Securities Ltd. +44 207 260 1000, www.numiscorp.com
Bloomberg	VEH: 3MS:GR
Reuters	VEH: 3MS.DE
ISIN	VEH: KYG936251043

This document was prepared by Saigon Asset Management (SAM) and is for information only and does not constitute or form part of, and should not be construed as, any offer, inducement or an invitation to sell, acquire or issue, or any solicitation of any offer to purchase or subscribe for, any shares or securities, including any ordinary shares, in VIETNAM PROPERTY HOLDING and/or VIETNAM EQUITY HOLDING (the "Funds(s)") in any jurisdiction. No undertaking, representation, warranty or other assurance, express or implied, is made by either SAM or any other person, in relation thereto. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipate. All information is based on data obtained from sources we believe to be reliable, but is not guaranteed as to accuracy and does not purport to be complete. SAM has not made any independent verification of any such information and makes no implied or express warranties on the information provided. SAM does not guarantee the accurateness and completeness of statements made herein. Any opinions expressed herein are subject to change at any time without notice. Past performance of the Investment Manager and funds and any forecasts are not indicative of the future or likely performance of the Investment Manager.