

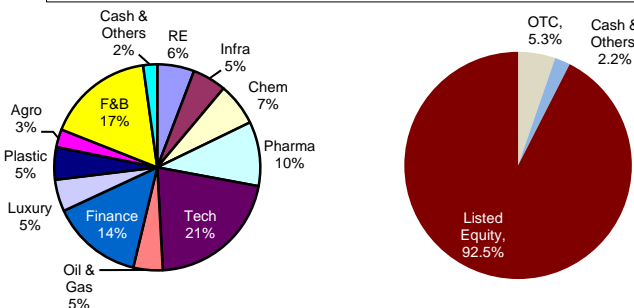
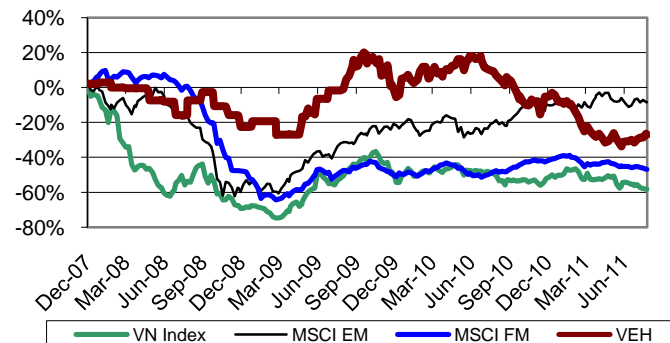
Vietnam Equity Holding (VEH) Monthly Update

31 July 2011

NAV per share	€1.71
Share price	€1.06
Discount	38.0%
Total NAV	€37,204,150

Performance

	%	Monthly	YTD	Year End 2009	Since Inception
NAV per share		5.6	-19.1	-30.7	-26.9
Share Price		3.9	-44.2	-29.3	-60.0
VN Index in EUR		-5.8	-26.1	-26.6	-66.4
MSCI EM in EUR		-0.02	-8.2	14.2	-5.9
MSCI FM in EUR		-1.9	-17.8	4.5	-45.5



VN Index - last 7 months



Source: Bloomberg

Foreign Investors' Net Buy on HOSE			Top Holdings	
Date	Volume (Mn shares)	Value (\$Mn)		
Jul 11	-1.4	6.43	VNM	
Jun 11	-17.1	38.5	FPT	
May 11	7.0	-0.7	DHG	
Q1 2011	46.1	73.3	STB	
			PMC	

About Saigon Asset Management

Established in 2007 and based 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.

Louis Nguyen
Chairman & CEO

Chinh Hoang
Director, Equity Investments

Hien Vu
Managing Director,
Real Estate Investments

Kevin Flaherty
Managing Director,
Energy and Natural Resources Investments

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VEH Update

In July, VEH's un-audited NAV per share was €1.71, representing an **increase of 5.6%** from €1.62 at the end of the prior month. Over the same period, the VN Index decreased 5.8% in EUR terms (down 6.2% in VND terms). The NAV increase was mainly due to a **5.1% increase in portfolio value** from the increase in price of listed stocks, and a 0.4% gain in portfolio value resulting from unrealized FX gain of the VND against the EUR. The investment manager has been rebalancing into small and mid cap stocks with strong fundamentals and higher reward/risk ratio to capitalize on the potential upside gain from an anticipated rebound in the Vietnam stock market in the next quarter.

Macroeconomic Update

In the month of July, the debt crises in the United States and Euro-zone negatively affected Asian markets and did not help the Vietnamese market, already embroiled in its battle with inflation and credit crunch. High interest rates in Vietnam continued to hamper businesses, especially the real estate and financial sectors, leading to a drop of 6.2% in the VN Index. Unfortunately, inflation continues to grow, reaching an annual rate of 22.2% in July and 14.6% for the first seven months of the year. Rising food, transportation, and construction materials prices are the main driver for this unabated growth. The bond market confirmed fears that inflation was reaccelerating this month when yields on 3-year State Treasury Bonds rose 0.16%. Currency and foreign exchange markets remained stable (USD/VND 20,610). SBV accumulated USD1.8bn as companies preferred to borrow USD to take the advantage of the large interest gap between USD -denominated and VND-denominated lending rates. On a brighter note, FDI bounced back this month and reached approximately US\$1 billion. This broke a persistent trend of declining FDI over the past few months. M-o-M real industrial production increased by 5.2%, mainly driven by the manufacturing sector and exports outpaced imports by 5.9%. Though inflation accelerated during July, the new government has many measures to fight further growth which we believe will result in a more stable and more vibrant economy in the long term.

Indicators	July-11	YTD-2011	Y-o-Y	2010
GDP Growth		5.6%	5.6%	6.7%
Inflation	1.2%	14.6%	22.2%	11.8%
Exports (\$Bn)	9.2	51.5	33.5%	71.6
Imports (\$Bn)	9.1	58.1	26.2%	84.0
Trade Deficit (\$Bn)	-0.01	6.6	-100.9%	12.4
Committed FDI (\$Bn)	1.0	6.3	-1.6	18.6
VND/USD	20,610	5.7%	7.9%	19,500

Source: General Statistics Office, Vietnam

Stock Market Update

The VN Index declined 27 points (down 6.2% in VND) closing the month at 405.70. Unfortunately, the index generally declined throughout the month. Volume in the VNI remained flat, exhibiting a general lack of confidence among investors. The HNX, at 69, is lower than its March 2009 low of 80, though the macroeconomic picture was surely worse in 2008-09. Thus, we believe that this market is grossly oversold and will recover. We think Q4 will be a strong quarter for equity investment and that 2012 will likely have an improving macroeconomic setting, which will provide the underlying strength to the stock market. The pessimism in the financial industry seems to be at its highest level since late 2008, and therefore indicative of a turning point.

Structure	Cayman Islands registered closed-end funds	
Funds launch	November 2007	
Duration	5 Years (subject to shareholder vote for extension)	
Fiscal Year End	31 December	
Listed	Frankfurt Stock Exchange (FSE) and Xetra	
NAV Frequency	Monthly	
Management Fee	2% of NAV	
Performance Fee	20% of gains over 8% hurdle with high water mark	
Investment Manager	Saigon Asset Management	
Auditor	Grant Thornton	
Legal Counsel	Reed Smith LLP / Appleby	
Administrator/Custodian	Deutsche Bank (Cayman) Ltd 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	
Bloomberg	VEH: 3MS:GR	VPH: 3MT:GR
Reuters	VEH: 3MS.DE	VPH: 3MT.DE
ISIN	VEH: KYG936251043	VPH: KYG9361R1074
German Securities	VEH: AOM12V	VPH: AOM12W