



Vietnam Opportunity Fund

Monthly Update

31 July 2005

VOF Overview

NAV Per Share US\$1.28

Share Price US\$1.68

Fund Size US\$92.38
 Issued Shares 75,154,654
 Total Net Asset Value US\$96.46
 Market Capitalization US\$126.26
 Reuters VOF.L
 Bloomberg VOF LN

Portfolio Profile

By Type

Investment	% NAV
Cash & Deposits	50.3%
OTC Shares	26.1%
Real Estate Projects	7.2%
Private Investments	6.4%
Listed Shares	5.9%
Bonds	4.7%
Other Assets	(0.6%)

By Sector

Sector	% NAV
Food & Beverage	12.8%
Financial Services	11.1%
Real Estate	7.8%
Government Bonds	4.7%
Construction Materials	3.5%
Education	1.6%

Investment Manager

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 Reuters Page
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The Economy

- Export in July alone reached US\$2.75 billion, the highest level since the beginning of this year. This brings the total export for the first 7 months to US\$17.4 billion, or an 18 percent increase over the same period last year. The country's largest export earner was crude oil, which rose by 27.8 percent over July 2004. Textiles and seafood, which had experienced a slowdown over the first six months, started to rebound in July.
- Vietnam does not anticipate significant impacts on the *dong* as a result of China's *renminbi* revaluation. The central bank of Vietnam's foreign exchange department stated that the country's reserves comprise of several currencies; thus an increase of 2.1% in the value of the *renminbi* against the US dollar is too small to warrant an adjustment of Vietnam's foreign reserves. Bilateral trade between the two countries will be equally unaffected as *renminbi* transactions in Vietnam are limited.

Economic Indicators 2005	
GDP (6 mos.)	US\$24 bil 7.63% yoy
CPI (7 mos.)	+5.6%
Industrial Production (7 mos.)	US\$15.5 bil +16% yoy
Exports (7 mos.)	US\$17.37 bil +18.1% yoy
Imports (7 mos.)	US\$21.15 bil +20.5% yoy
FDI (7 mos.)	US\$3.2 bil +66.6% yoy
Tourism (Int'l visitors) (7 mos.)	2 mil +23.8% yoy
VN Index (29 July 05)	253.35

Portfolio Developments

- The Fund continued to accumulate listed and OTC shares during the month.
- The Fund on 28 July acquired 6.25% of Domesco, the leading pharmaceutical company in Vietnam, investing a total of approximately US\$890,000. Domesco, with a market share of approximately 7%, will list on the Vietnam stock exchange next year.

Stock Market

- On 29 July, the VN-Index closed at 253.35 basis points, gaining 6.54 points over the previous month.
- On 27 July the Prime Minister signed a decision to set up a securities depository to be funded by the State budget. The Viet Nam Securities Depository (VSD), to be operated under the control of the State Securities Commission of the Finance Ministry, will handle registration, deposit, clearing, and settlement for traded securities.



.NAV and Share Price Performance

