

VinaWealth introduces opened-ended investment fund

VinaWealth Fund Management JSC (VinaWealth) has introduced Bao Think VinaWealth Enhanced Fixed Income Fund (VFF) under its management as an opened-ended bond investment fund.



VinaWealth is backed up by VinaCapital group as a majority stakeholder of 49%. At the road show on the fund's operation in HCMC on Tuesday, Dang Vi Thanh, head of Retail Sales of VinaWealth, said 80% of the fund's portfolio is set aside for bond investment, focusing on government bonds or government-guaranteed papers. VinaWealth also invests in treasury bills, corporate bonds, money market investments and other instruments.

HSBC Vietnam is active as the supervisory bank, transfer agent and fund administrator while Saigon Securities Inc. (SSI) is in charge of distributing the fund units.

Roy Fong, Fixed Income Director of VinaWealth, said VFF's target is to reach a profit rate that is three percentage points higher than the average deposit rate of 12 months at HSBC in 2013 and afterwards.

Explaining VFF's bond investment, VinaWealth predicts an improvement in macroeconomic conditions in the near future, with lowered inflation, stable foreign exchange rates and decreased interest rates expected. Also, the company explained that bonds with high liquidity will be transferred easily while their pricing instability is not as high as that of shares, making it safer for bond investment.

VinaWealth was formerly known as Thep Viet Fund Management JSC which was established in 2008 with chartered capital of VND25 billion. Thep Viet issued an additional 1.42 million shares to VinaCapital to raise its chartered capital to VND39.2 billion, with VinaCapital owning a stake of 49% worth of 1.92 million shares and the remainder for local individual investors.

The State Securities Commission on December 12 allowed VFF to offer the fund units to mobilize a minimum VND50 billion, with a face value of VND10,000 set for a unit.

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