

## The Fund Manager writes

In October, the fund managed to add +3.87%, bringing the total return for 2021 so far to +22.49%. The holdings in Vietnam contributed most to the positive result, while stocks in Bangladesh and Kenya were under pressure.

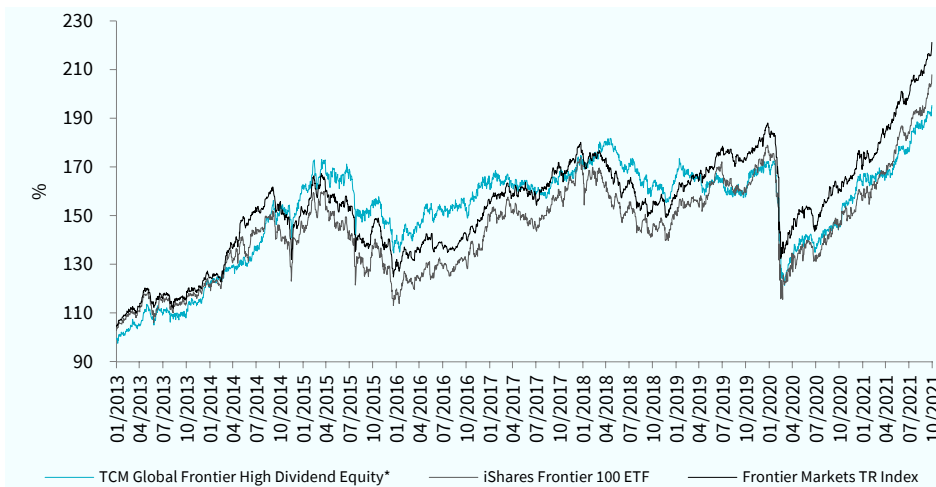
Polymakers in Vietnam are considering a \$35 billion stimulus package and looser monetary policy to help the economic recovery after the pandemic. The Vietnamese Prime Minister predicts that economic growth will pick up next year to a range of 6% - 6.5% after an estimated growth of 2.5% - 3% for this year. The target has also been set to achieve a vaccination coverage of 80% of the population in the first quarter of next year.

The trendsetter in the portfolio this month was Namlong Investment, a real estate developer that develops affordable housing. Despite a fourth wave of Covid-19 infections, the company reported figures for the first 9 months that were at the higher end of expectations. The stock shot up almost 40% in October bringing the year-to-date return to +112%, measured in euro. We partly took a profit on this, because otherwise the position would become too large within the portfolio.

Shares of Airtel Africa reached a new high last month, after better-than-expected figures came in here too. Earnings for the past quarter rose 20%, driven by strong growth in mobile money transactions. Airtel is listed in London and is one of the largest telecom operators in the sub-Sahara region with a number 1 or 2 position in 11 of the 14 markets in which it operates. After the figures, the share shot up 12%, bringing the annual result to +57%, measures in euro.

Finally, we funded a new position on Lafarge Africa from the dividends received from Nigeria. The company supplies cement products, aggregates and construction materials and is trading at 7.7x expected earnings for FY22 on a 7.2% dividend yield.

## Fund Performance



Return in euro**	1 mnth	3 mnths	2021	2020	2019	Since start***
TCM Global Frontier High Dividend Class A	3.87%	10.20%	22.49%	-5.32%	7.83%	9.13%
Frontier Markets TR Index	4.31%	10.86%	31.02%	-6.84%	20.33%	32.69%
iShares Frontier 100 ETF	6.90%	13.06%	37.14%	-11.28%	22.23%	33.46%

\* Since start of the High Dividend Strategy of the fund

\*\* Based on Total Return (Bloomberg data)

\*\*\* Data is from inception of the share class: 24-05-2018

## Fund Profile

The fund invests in listed companies from the Frontier Markets Universe (such as but not limited to Argentina, Bangladesh, Croatia, Kenya, Kazakhstan, Kuwait, Sri Lanka, Mauritius, Nigeria, Pakistan, Romania, Oman, Ukraine, Egypt and Vietnam), which are markets at an early stage of economic development, with an attractive dividend yield. The fund primarily aims to generate a long-term return in excess of the benchmark, the MSCI Frontier Markets Total Return Net Index, comprising capital gains or losses plus net dividend. The equally weighted portfolio will be re-weighted and re-allocated on a periodically scale. The risk profile is high, due to investments in equities and Frontier Markets.

## TCM Global Frontier High Dividend Equity (Lux)

**Strategy:** High Dividend Equity

**Universe:**  
Frontier Markets

**Benchmark:** Frontier Markets Index (Total Return)

**ESG:** UN Global Compact and Controversial Weapons (screening by Sustainalytics)

**Status:** UCITS

**Structure:** Open-end

**Domicile:** Luxembourg

**Inception Date:** 24 May 2018

**Currency:** EUR

**Net Asset Value per share:**

Share Class A - € 108.28

Share Class BD - € 119.56

**Total Fund size:** € 31.8 million

**Share Class size:**

Share Class A - € 9.2 million

Share Class BD - € 0.04 million

**Management Company:**

Davy Global Fund Management Luxembourg S.A.

**Investment Manager:**

Trustus Capital Management B.V.

**Fund Management:**

Frontier Markets Team

Wytze Riemersma

Marco Balk

**Custodian:**

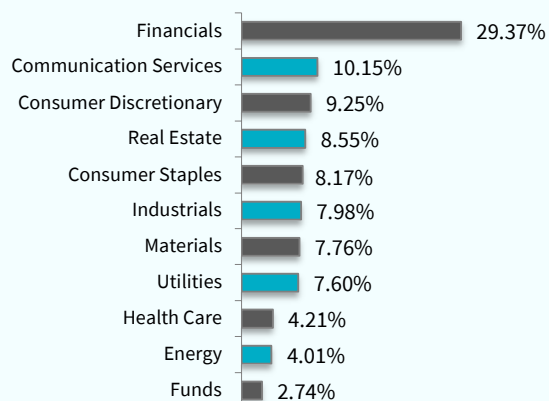
Caceis Bank Luxembourg Branch

**Paying Agent:**

Caceis Bank Luxembourg Branch



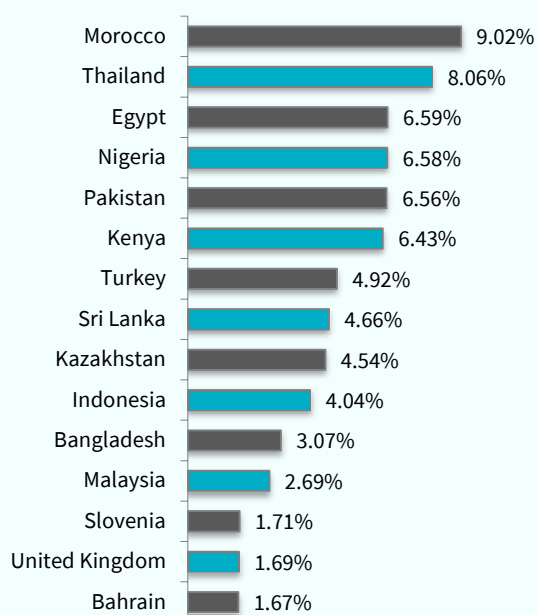
## Sector Allocation



## Top 10 Holdings

Position	Weighting
Nam Long Investment Corp	2.13%
Jsc Kaspi.Kz Gdr-Reg S	2.07%
Ho Chi Minh City Securities	1.97%
Marsa Maroc	1.79%
Tofas Turk Otomobil Fabrika	1.78%
Totalenergies Marketing Maro	1.77%
Hoa Phat Group Jsc	1.76%
Safaricom Plc	1.75%
Halyk Savings Bank-Gdr Reg S	1.75%
Krka	1.71%
<b>Total weightings Top 10</b>	<b>18.48%</b>

## Country Allocation - Top 15



## Fund Characteristics

Characteristics	Fund	Benchmark
Number of positions	86	85
Dividend Yield in %*	5.65	2.52
Price/Earnings Ratio*	9.99	16.59
Price to Book Ratio *	1.54	2.34

\* source: Bloomberg/TCM

## Investment Limits

	Fund	Benchmark
GCC-Region limit	max. 35%	7.85%
Country limit	max. 20%	30.10%
Sector limit	max. 30%	35.19%
Company limit (equally weighted)	1-2%	5.66%

For the benchmark this respectively concerns the weighting for the GCC-region, the weighting for Kuwait (Country), Financials (Sector) and the largest individual position.

## Subscription information

	A Class Accumulation	B Class Income	BD Class Accumulation	AD Class Accumulation
Minimum subscription	EUR 3 million	EUR 3 million	EUR 20	EUR 20
Additional subscription	EUR 200	EUR 200	EUR 10	EUR 10
Subscription frequency	daily	daily	daily	daily
Redemption frequency	daily	daily	daily	daily
Subscription Fee *	up to 0.5%	up to 0.5%	up to 0.5%	up to 0.5%
Redemption Fee *	up to 0.5%	up to 0.5%	up to 0.5%	up to 0.5%
Conversion Fee *	up to 0.25%	up to 0.25%	up to 0.25%	up to 0.25%
Investor Restriction	institutional investors	institutional investors	retail investors	no restrictions
Dividend pay-out	No	Yes	No	No
Investment Management Fee	1% per annum	1% per annum	2% per annum	1.4% per annum
Performance Fee	10%	10%	10%	10%
Ongoing Charges Figure (2021)	1.59%	1.59%	2.64%	2.03%
Clean share class	No	No	No	Yes
ISIN Code	LU1730853386	LU1730853469	LU1730853543	LU1730853626
Bloomberg ticker	TCMGFRA LX	TCMGFRB LX	TCMGFBD LX	TCMGFAD LX
Can be offered to investors in	FI, LU, NL, NO, SE	FI, LU, NL, NO, SE	FI, LU, NL, NO, SE	LU, NL

\* added back to the fund

## Sustainability

TCM has entered into an agreement with Sustainalytics for the screening of the portfolios of the TCM equity funds on ESG criteria (UN Global Compact and Controversial Weapons).



## Disclaimer

TCM Global Frontier High Dividend Equity (Lux) is a sub fund of TCM Investment Funds Luxembourg, domiciled in Luxembourg. The fund is authorized in Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier. The information in this document provides insufficient information for an investment decision. Please read the Key Investor Document and the prospectus. These documents as well as annual report, semi-annual report and the articles of incorporation of the fund are available free of charge at the registered office of the fund located at 5, Allée Scheffer, L-2520 Luxembourg and on the website of the Management Company: [www.davygfm.com](http://www.davygfm.com). The value of your investment may fluctuate. Past performance provides no guarantee for the future. The performance shown does not take account of any commissions and costs charged when subscribing to and redeeming units.



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