

## The Fund Manager writes

In April the price of the TCM Vietnam High Dividend fund increased by 0.70%. The fund outperformed the ETF which declined by 1.28%. The exchanges in Ho Chi Minh (+ 0.20%) and Hanoi (+ 0.15%) were slightly higher measured in euro.

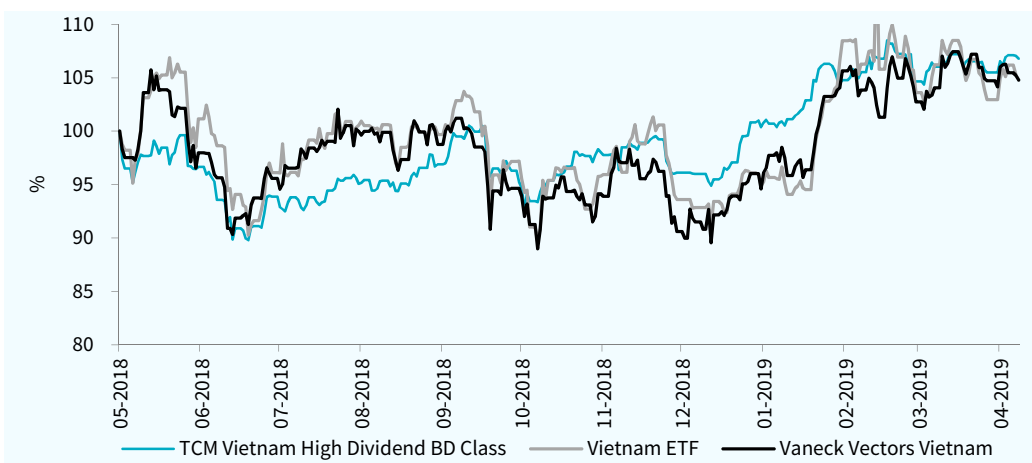
The month had a positive start. The Ho Chi Minh index for example tried again to rise above the level of 1,000 points, but just like in March this resistance was too strong. Sentiment was also moderate in other markets in Asia. Following the profits of previous months, investors are looking for new incentives to buy shares to higher levels. A possible trade agreement between the US and China will stimulate the world trade and economy and also the Vietnamese economy and stock markets will benefit.

We remain positive on Vietnam's outlook, in particular the mid- and small-cap segments remains attractive in terms of valuation. Compared to the Vietnam ETF, the TCM Vietnam High Dividend portfolio trades with a P/E discount of more than 50% (20x versus 9.26x).

The macro numbers were positive in April. GDP growth in the first quarter was 6.8%, marginally above the forecasts. The trade surplus in April amounted to \$ 700 million. The PMI index confirmed the positive economic trend, this confidence indicator rose from 51.2 to 51.9. Inflation rose slightly to 2.93% as a result of the higher oil prices. We expect a slightly rising inflation in the coming months because the government has recently approved a further increase in the electricity price of more than 8%.

The fund currently holds 38 positions across a number of sectors. Consumer Staples and Basic Materials are the main themes weighting 18% and 17.5% respectively. Within these sectors we currently find the most high dividend stocks which meet our criteria. The weighting on sector level depends mainly on the relative attractiveness of a stock/sector versus other stocks/sectors. The fund allocation can therefore deviate strongly from the Vietnamese benchmark indices.

## Fund Performance



Return in euro*	1 mnth	3 mnths	2019	2018**	Since start**
TCM Vietnam High Dividend Class BD	0,70%	6,24%	11,24%	-4,01%	6,78%
Vietnam ETF	-1,28%	10,19%	12,93%	-7,16%	4,85%
Vaneck Vectors Vietnam	0,70%	7,43%	15,38%	-9,19%	4,78%

\* Based on Total Return (Bloomberg data)

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

## Fund Profile

The fund invests in listed Vietnamese companies or investment funds focused on Vietnam, which can be regarded as a Frontier Market 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 FTSE Vietnam 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 Vietnam High Dividend Equity (Lux)

**Strategy:** High Dividend Equity

**Universe:**  
Vietnam

**Benchmark:** FTSE (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

**Total Fund size:** € 6.7 million

**Management Company:**  
Novacap Asset Management S.A.

**Investment Manager:**  
Trustus Capital Management B.V.

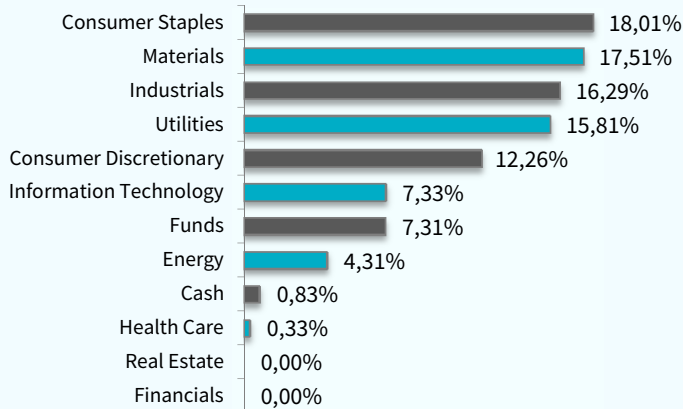
**Fund Management:**  
Frontier Markets Team  
Wytze Riemersma  
Marco Balk

**Custodian:**  
Caceis Bank Luxembourg Branch

**Paying Agent:**  
Caceis Bank Luxembourg Branch



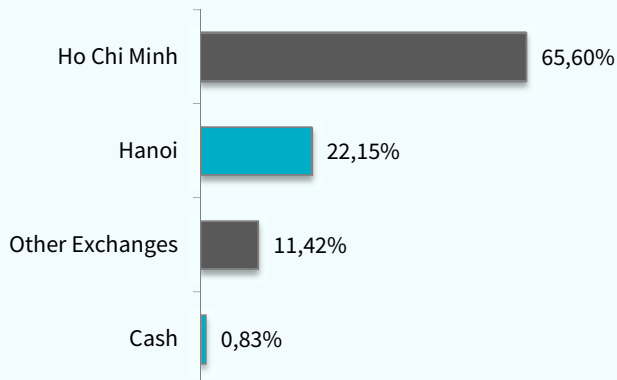
## Sector Allocation



## Top 10 Holdings

Position	Weighting
Vietnam Phoenix Fund Class C	7,23%
Petrovietnam Nhon Trach 2 Po	6,76%
Digiworld Corp	6,55%
Fpt Corp	6,01%
Masan Consumer Corp	4,86%
Sao Ta Foods Jsc	4,81%
Pha Lai Thermal Power Jsc	4,72%
Tng Investment & Trading Jsc	4,35%
Hatien 1 Cement Jsc	4,26%
An Phat Plastic And Green En	4,13%
<b>Total weightings Top 10</b>	<b>53,67%</b>

## Exchange Allocation



## Fund Characteristics

Characteristics	Fund
Number of Positions	37
Dividend Yield in %*	6,09
Price/Earnings Ratio*	8,65
Price to Book Ratio *	1,42

\* source: Bloomberg/TCM

## Subscription information

	A Class Accumulation	AD Class Accumulation
Minimum subscription	EUR 5.000	EUR 5.000
Additional subscription	EUR 200	EUR 200
Subscription frequency	daily	daily
Redemption frequency	daily	daily
Subscription Fee	up to 0.5%	up to 0.5%
Redemption Fee	up to 0.5%	up to 0.5%
Conversion Fee	up to 0.25%	up to 0.25%
Investor Restriction	no restrictions	investors located in the Netherlands
Dividend pay-out	No	No
Investment Management Fee	2% per annum	2% per annum
Performance Fee	10%	10%
Global Distribution Fee	up to 1%	No (so called clean share class)
Ongoing Charges Figure (2019)	2.66%	2.66%
ISIN Code	LU1730853972	LU1730854194
Bloomberg ticker	TCMVNA LX	TCMVNAD LX

## 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 Vietnam 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.novacap-am.com/en/funds](http://www.novacap-am.com/en/funds). 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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