

The Fund Manager writes

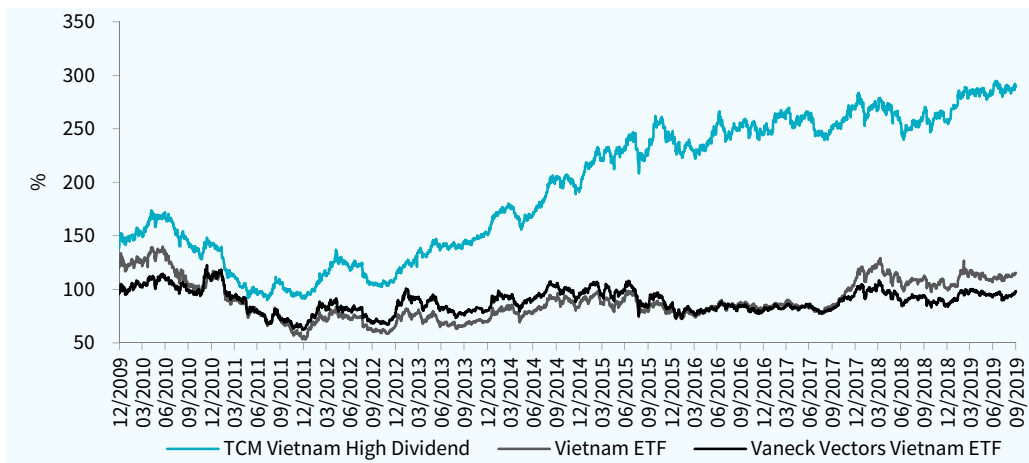
The Ho Chi Minh Stock Index, Vietnam's main bourse, increased by 2.3% in September. Vinamilk (VNM) rose 7.5%, contributing about 30% to the index performance. The fund started to build up a position in VNM recently, since the stock complied with our investment criteria and minimum level of dividend yield. Banking stocks were also among the top gainers as this sector rose by 5.5%, contributing to the remaining 70% of the index increase. The strong performance of the banking stocks was supported by both sector- and company-specific news. The State Bank of Vietnam has recently lowered its policy rates by 25 bps, domestic investors interpret this as a positive signal for banking stocks. The TCM Vietnam High Dividend fund showed a positive return of 1.62%, an underperformance versus the benchmark indices that were lifted mainly by the mentioned large cap stocks.

GDP growth in Q3 amounted to 7.3%. This brought the 9 months growth up to 6.98% y/y. The agriculture, forestry and fishery-sectors size to total GDP stayed at less than 14.0% as growth was up by only 2% y/y. The industrial and construction-sector strongly outperformed, growing by 9.3% y/y. Its contribution to total GDP reached 35.8%. The trade, retail and services-sector grew by 6.8% y/y, and contributes 38.7% to the country's GDP.

According to the General Statistics Office Vietnam's trade surplus reached \$5.9bn during the first 9 months of 2019. Mobile phones, along with textile and garments, and electrical products, continued to be the main export drivers. A staggering number of phones was exported worth \$38.6bn or almost 20% of the total export value. Next to this Google also announced to reallocate this year the Pixel Smartphone production from China to Vietnam.

The fund currently holds 35 positions across a number of sectors. Consumer Staples and Consumer Discretionary are the main themes weighting 20.8% and 14.68% 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	1.62%	3.56%	14.48%	-4.01%	9.89%
Vietnam ETF	1.65%	8.27%	14.51%	-7.16%	6.32%
Vaneck Vectors Vietnam	4.83%	6.07%	16.14%	-9.19%	5.47%

* 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

Net Asset Value per share:

Share Class AD - € 101.13

Total Fund size: € 6.7 million

Share Class size:

Share Class AD - € 0.002 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:

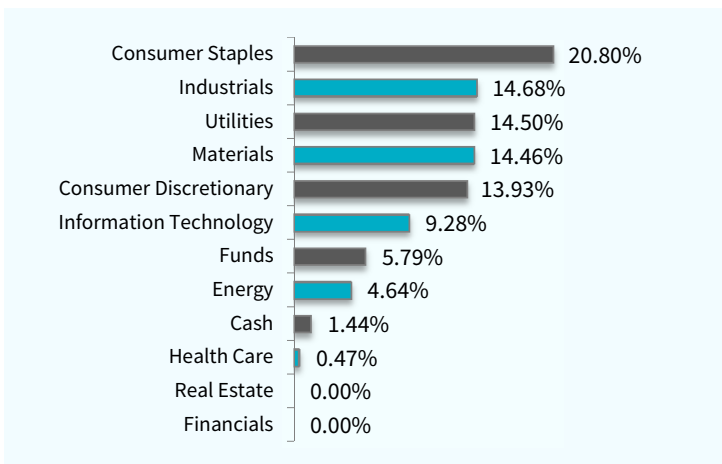
Caceis Bank Luxembourg Branch

Paying Agent:

Caceis Bank Luxembourg Branch



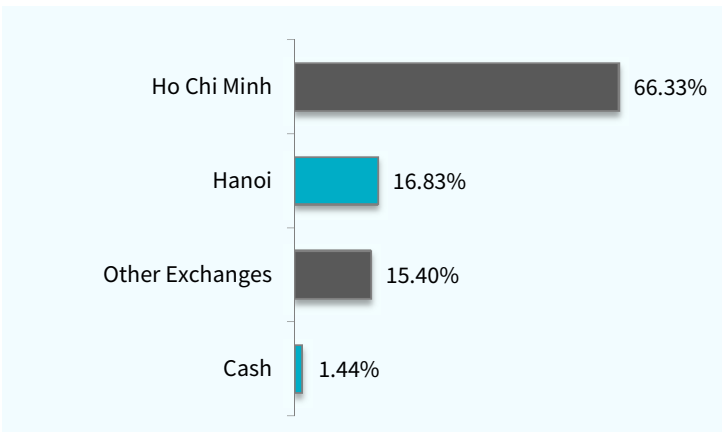
Sector Allocation



Top 10 Holdings

Position	Weighting
Fpt Corp	8.60%
Petrovietnam Nhon Trach 2 Po	6.13%
Vietnam Phoenix Fund Class C	5.79%
Pha Lai Thermal Power Jsc	5.60%
Tng Investment & Trading Jsc	4.81%
Petrovietnam Transportation	4.64%
Binh Minh Plastics Jsc	4.30%
Hatien 1 Cement Jsc	4.18%
Hai An Transport & Stevedori	4.16%
Cmc Jsc	3.98%
Total weightings Top 10	52.18%

Exchange Allocation



Fund Characteristics

Characteristics	Fund
Number of Positions	35
Dividend Yield in %*	7.74
Price/Earnings Ratio*	8.39
Price to Book Ratio *	1.52
* source: Bloomberg/TCM	

Subscription information

Minimum subscription	
Additional subscription	
Subscription frequency	
Redemption frequency	
Subscription Fee *	
Redemption Fee *	
Conversion Fee *	
Investor Restriction	
Dividend pay-out	
Investment Management Fee	
Performance Fee	
Ongoing Charges Figure (2019)	
Clean share class	
ISIN Code	
Bloomberg ticker	
Can be offered to investors in	

A Class

Accumulation

EUR 20
EUR 10
daily
daily
up to 0.5%
up to 0.5%
up to 0.25%
no restrictions
No
2.5% per annum
10%
3.07%
No
LU1730853972
TCMVNA LX
FI, LU, NL, NO, SE

AD Class

Accumulation

EUR 20
EUR 10
daily
daily
up to 0.5%
up to 0.5%
up to 0.25%
no restrictions
No
2% per annum
10%
2.57%
Yes
LU1730854194
TCMVNAD LX
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 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. 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.