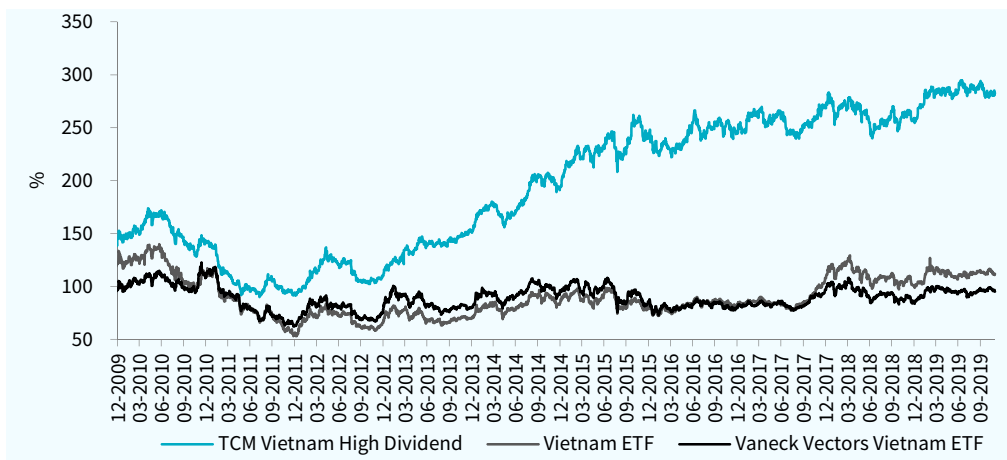


## The Fund Manager writes

The VN-Index, Vietnam's main bourse, declined by 2.6% in November (-1.5% in euro). The correction was broad-based as prices of 250 tickers out of a total of 377 tickers fell. The index performance was driven by consumer stocks such as Sabeco (-13.0%), Vinamilk (-6.5%) and Mobile World (-12.5%) which contributed to almost half of the negative index performance. Vingroup (VIC, -2.7%) and banking stocks were also among the main decliners as this sector gave up 2.7%. Some of the worst performers were Vietcombank and Vietinbank, which were down 2.7% and 7.0%. The disappointing performance of the stock market was driven by investors' weak sentiment, originating again from the trade dispute between the US and China and increasing uncertainty about global economy. SAB stocks fell after Heineken announced to sell (a part of) its strategic stake. The market fears that Heineken wants to sell all of its SAB shares. The company has limited opportunity to become a strategic investor as Thaibev successfully bought a 53.6% stake in SAB back in 2017. The TCM Vietnam High Dividend Fund outperformed the broader market indices by almost 2.5% (in euro). Especially the underweight of the large cap names and the banking sector led to the strong performance. The most spectacular news came from the retail merger between Masan and Vingroup. Both companies will put together their retail activities, where also our holding in Masan Consumer will be brought into a new entity. The initial reaction was positive for the share price, but after a few days the price was back at the pre announcement level. During the first 11 months, imports rose by 7.4% y/y, reaching \$232bn, while exports went up by 7.8% y/y, hitting \$241bn. Hence, Vietnam's trade surplus reached \$9.1bn ytd. Mobile phones, along with textiles and garments as well as electrical products, continued to be the main export drivers, accounting for 30% of total exports. A sharp increase of pork prices due to the African swine fever was responsible for the CPI hike. The CPI rose 0.96%, the highest monthly increase in years. With the holidays approaching, we may not have seen the peak just yet. A sharp increase, although the CPI rose only 2.6% year on year which allows the SBV to retain its accommodative monetary policy stand. The fund currently holds 32 positions across a number of sectors. Consumer Staples and Materials are the main themes weighting 20.4% and 17.4% respectively. Within these sectors we currently find the most high dividend stocks which meet our criteria.

## Fund Performance



Return in euro*	1 mnth	3 mnths	2019	2018**	Since start**
TCM Vietnam High Dividend					
Class BD	0,82%	-1,47%	11,00%	-4,01%	6,55%
Vietnam ETF	0,21%	-1,70%	10,74%	-7,16%	2,82%
Vaneck Vectors Vietnam	-0,57%	1,40%	12,35%	-9,19%	2,02%

\* 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 A - € 98.59

Share Class AD - € 97.99

**Total Fund size:** € 6.3 million

**Share Class size:**

Share Class A - € 0.005 million

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:**

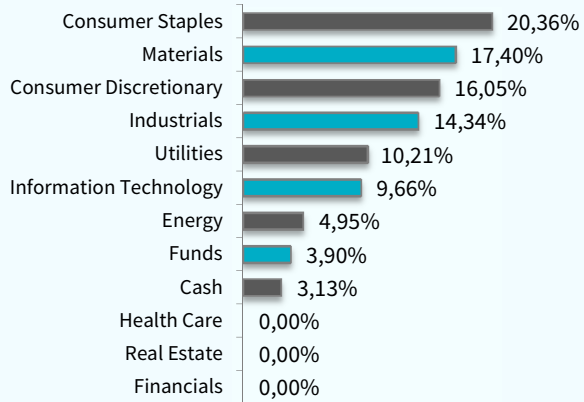
Caceis Bank Luxembourg Branch

**Paying Agent:**

Caceis Bank Luxembourg Branch



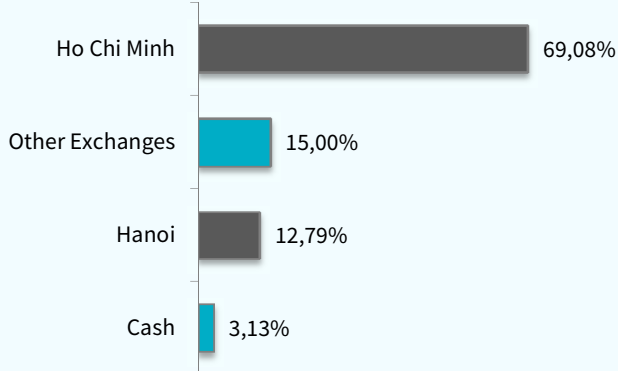
## Sector Allocation



## Top 10 Holdings

Position	Weighting
Fpt Corp	8,95%
Pha Lai Thermal Power Jsc	6,47%
Song Hong Garment Jsc	5,03%
Sao Ta Foods Jsc	4,98%
Petrovietnam Transportation	4,95%
Binh Minh Plastics Jsc	4,65%
Quang Ngai Sugar Jsc	4,38%
Vietnam Dairy Products Jsc	4,35%
Tng Investment & Trading Jsc	4,30%
Hatien 1 Cement Jsc	4,22%
<b>Total weightings Top 10</b>	<b>52,27%</b>

## Exchange Allocation



## Fund Characteristics

Characteristics	Fund
Number of Positions	32
Dividend Yield in %*	7,75
Price/Earnings Ratio*	8,18
Price to Book Ratio *	1,37

\* 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](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.