

The Fund Manager writes

The Corona outbreak negatively impacted almost every sector of the economy during the first quarter. Some obvious sectors were hit directly such as hospitality and aviation, while other sectors like manufacturing were affected due to a combination of supply and demand shocks from overseas. The government has approached this pandemic seriously and delivered proactive and sufficient measures to not only contain the outbreak but also to support the economy. There were 207 reported infected cases (with no death toll yet), 58 patients were already discharged from hospitals, leaving only 149 cases still under treatment.

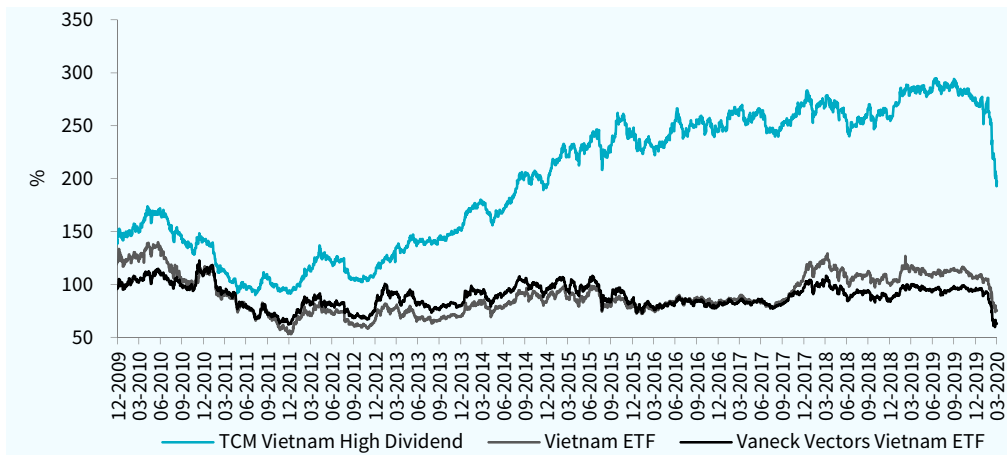
The GDP growth amounted to 3.8% over the first quarter. In line with China's rather speedy recovery at the end of March, the general idea is that the outbreak will likely be under control by the end of second quarter and the economy will start recovering from Q3 onwards.

According to estimates of the General Statistics Office of Vietnam (GSO), Vietnam's import value over Q1 amounted \$56.3 billion, -1.9% y/y and the export value summed up to \$59.1 billion, +0.5% y/y. Therefore the resulting trade surplus was \$2.8 billion.

The Vietnamese Dong depreciated slightly by 1.8% against the USD. Other regional currencies recorded much more significant falls, for instance, a depreciation of 9.9% for the Thai Baht, 5.1% for the Malaysian Ringgit and 18.0% for the Indonesian Roepie. Due to strong Foreign Direct Investment inflow (Q1 \$3.9bn), a trade surplus (Q1 \$2.8bn), and historical high of foreign currency reserves (\$80bn at the end of 2019) there is not much reason to worry about a further depreciation of the Vietnamese Dong.

The VN-Index declined by an astonishing 26.0% in March. Domestic investors were mainly buyers and foreign investors were net sellers almost every day in March with a total amount of \$356mn sold. The TCM Vietnam High Dividend Fund lost 23.1%, the (small) outperformance versus the benchmark was caused by the underweight in Financials (banks) and Real Estate. The fund currently holds 32 positions. Consumer Staples and Industrials are the main themes weighting 22% and 18.1% 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	2020	2019	2018**	Since start**
TCM Vietnam High Dividend						
Class BD	-23,10%	-26,57%	-26,57%	5,89%	-4,01%	-25,37%
Vietnam ETF	-21,59%	-29,12%	-29,12%	5,14%	-7,16%	-30,80%
Vaneck Vectors Vietnam	-23,81%	-33,17%	-33,17%	11,41%	-9,19%	-32,39%

* 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 - € 68.70

Share Class AD - € 68.55

Total Fund size: € 4.0 million

Share Class size:

Share Class A - € 0.003 million

Share Class AD - € 0.001 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:

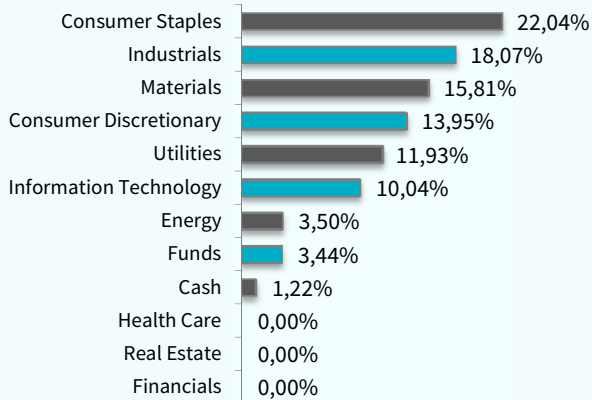
Caceis Bank Luxembourg Branch

Paying Agent:

Caceis Bank Luxembourg Branch



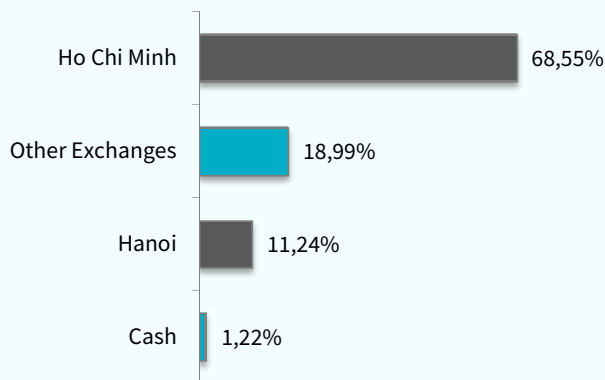
Sector Allocation



Top 10 Holdings

Position	Weighting
Fpt Corp	9,23%
Pha Lai Thermal Power Jsc	7,71%
Quang Ngai Sugar Jsc	5,18%
Vietnam Dairy Products Jsc	5,11%
Binh Minh Plastics Jsc	4,76%
Cmc Jsc	4,41%
Petrovietnam Nhon Trach 2 Po	4,22%
Halong Canned Food Jsc	4,01%
Hoa Phat Group Jsc	3,88%
Viet Tien Garment Corp	3,65%
Total weightings Top 10	52,18%

Exchange Allocation



Fund Characteristics

Characteristics	Fund
Number of Positions	32
Dividend Yield in %*	10,26
Price/Earnings Ratio*	5,94
Price to Book Ratio *	0,94

* 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 (2020)	
Clean share class	
ISIN Code	
Bloomberg ticker	
Can be offered to investors in	

A Class	Accumulation
Minimum subscription	EUR 20
Additional subscription	EUR 10
Subscription frequency	daily
Redemption frequency	daily
Subscription Fee *	up to 0.5%
Redemption Fee *	up to 0.5%
Conversion Fee *	up to 0.25%
Investor Restriction	no restrictions
Dividend pay-out	No
Investment Management Fee	2.5% per annum
Performance Fee	10%
Ongoing Charges Figure (2020)	3,16%
Clean share class	No
ISIN Code	LU1730853972
Bloomberg ticker	TCMVNA LX
Can be offered to investors in	FI, LU, NL, NO, SE

AD Class	Accumulation
Minimum subscription	EUR 20
Additional subscription	EUR 10
Subscription frequency	daily
Redemption frequency	daily
Subscription Fee *	up to 0.5%
Redemption Fee *	up to 0.5%
Conversion Fee *	up to 0.25%
Investor Restriction	no restrictions
Dividend pay-out	No
Investment Management Fee	2% per annum
Performance Fee	10%
Ongoing Charges Figure (2020)	2,43%
Clean share class	Yes
ISIN Code	LU1730854194
Bloomberg ticker	TCMVNAD LX
Can be offered to investors in	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.