

## The Fund Manager writes

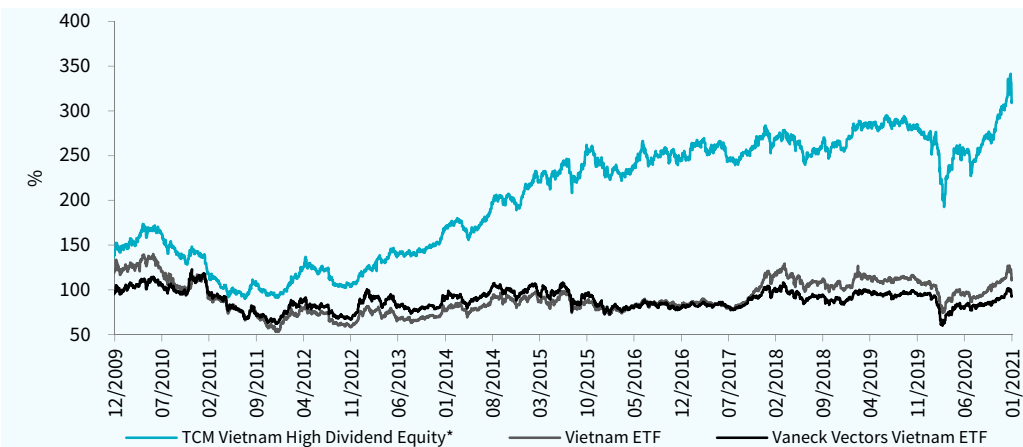
The Ho Chi Minh City Index as a gauge for Vietnam's stock market declined 3.25% in January, measured in euro. The TCM Vietnam High Dividend Fund posted a return of -1.32%, an outperformance of almost 2%. The absence of Real Estate and the focus on midcaps caused the largest part of the outperformance. The month of January turned out to be a rough ride for investors. Between 19 January and 28 January, the VN-Index experienced three large selloffs, with the market dropping by 5.1% on 19 January, 3.4% on 27 January, and 6.7% on 28 January. The selloffs could be attributed to a number of factors, including caps on margin lending at some brokers and taking profit before the 10 days Tet holiday. Also some new arising Covid-19 cases triggered investors to sell their stocks. The stock market rebounded by 3.2% at the last trading day of January. We think there are no fundamental reasons for the current volatility, in fact the corrections should offer a good entry point for investors for the year 2021. Once the margin calls have been paid, we think that a rebound is very likely.

The January CPI figure declined by 1.0% y/y, due to the high base effect in the same period of last year. As COVID-19 will become under control in 2021, global and domestic demand will recover, inflation might pick up to the "normalized" level of around 3%.

January FDI disbursement amounted to \$1.5bn, down almost 6%. Two FDI projects attracted attention; Foxconn, supplier to Apple, invested \$270 million to build a new factory to expand its production of iPad. And Intel, the US chip producer, wants to inject \$475 million in its Vietnam businesses to manufacture 5G products and core processors.

On the currency front the Dong appreciated by 0.1% versus the USD in January. The State Bank of Vietnam is expected to appreciate the Dong throughout 2021, in order to please the US, which marked Vietnam as a currency manipulator. Next to this also the fundamentally sound trade surplus could add to the strength of the Vietnamese currency.

## Fund Performance



| Return in euro**                   | 1 mnth | 3 mnths | 2021   | 2020   | 2019   | Since start*** |
|------------------------------------|--------|---------|--------|--------|--------|----------------|
| TCM Vietnam High Dividend Class BD | -1.32% | 13.96%  | -1.32% | 15.66% | 5.89%  | 16.01%         |
| Vietnam ETF                        | -0.23% | 10.16%  | -0.23% | 6.98%  | 5.14%  | 4.20%          |
| Vaneck Vectors Vietnam             | -2.52% | 10.65%  | -2.52% | 0.89%  | 11.41% | -0.50%         |

\* 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 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 - € 105.90

**Total Fund size:** € 6.0 million

**Share Class size:**  
Share Class A - € 0.006 million

**Management Company:**  
Davy Global Fund Management Luxembourg S.A.

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

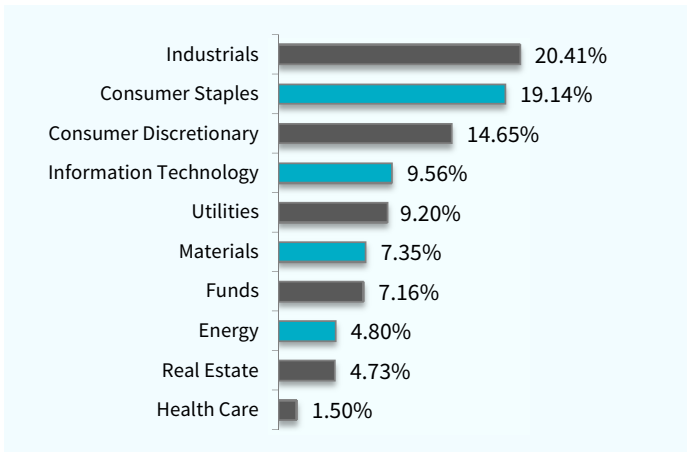
**Fund Management:**  
Frontier Markets Team  
Wytze Riemersma  
Marco Balk

**Custodian:**  
Caceis Bank Luxembourg Branch

**Paying Agent:**  
Caceis Bank Luxembourg Branch



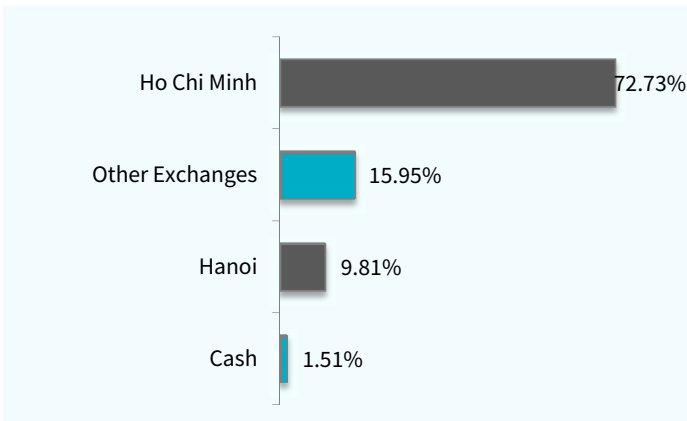
## Sector Allocation



## Top 10 Holdings

| Position                       | Weighting     |
|--------------------------------|---------------|
| Fpt Corp                       | 8.74%         |
| Sao Ta Foods Jsc               | 6.62%         |
| Pha Lai Thermal Power Jsc      | 5.64%         |
| Song Hong Garment Jsc          | 5.14%         |
| Quang Ngai Sugar Jsc           | 4.92%         |
| Binh Minh Plastics Jsc         | 4.88%         |
| Tng Investment & Trading Jsc   | 4.83%         |
| Petrovietnam Transportation    | 4.80%         |
| Vietnam Holding Ltd            | 4.69%         |
| Danang Rubber Jsc              | 4.68%         |
| <b>Total weightings Top 10</b> | <b>54.94%</b> |

## Exchange Allocation



## Fund Characteristics

| Characteristics         | Fund  |
|-------------------------|-------|
| Number of Positions     | 31    |
| Dividend Yield in %*    | 6.85  |
| Price/Earnings Ratio*   | 10.89 |
| Price to Book Ratio *   | 1.47  |
| * 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 (2021)  |  |
| Clean share class              |  |
| ISIN Code                      |  |
| Bloomberg ticker               |  |
| Can be offered to investors in |  |

| A Class             | AD Class            |
|---------------------|---------------------|
| <b>Accumulation</b> | <b>Accumulation</b> |
| EUR 20              | EUR 20              |
| EUR 10              | EUR 10              |
| daily               | daily               |
| daily               | daily               |
| up to 0.5%          | up to 0.5%          |
| up to 0.5%          | up to 0.5%          |
| up to 0.25%         | up to 0.25%         |
| no restrictions     | no restrictions     |
| No                  | No                  |
| 2.5% per annum      | 2% per annum        |
| 10%                 | 10%                 |
| 3.18%               | 2.66%               |
| No                  | Yes                 |
| LU1730853972        | LU1730854194        |
| TCMVNA LX           | TCMVNAD LX          |
| 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 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.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.