

## The Fund Manager writes

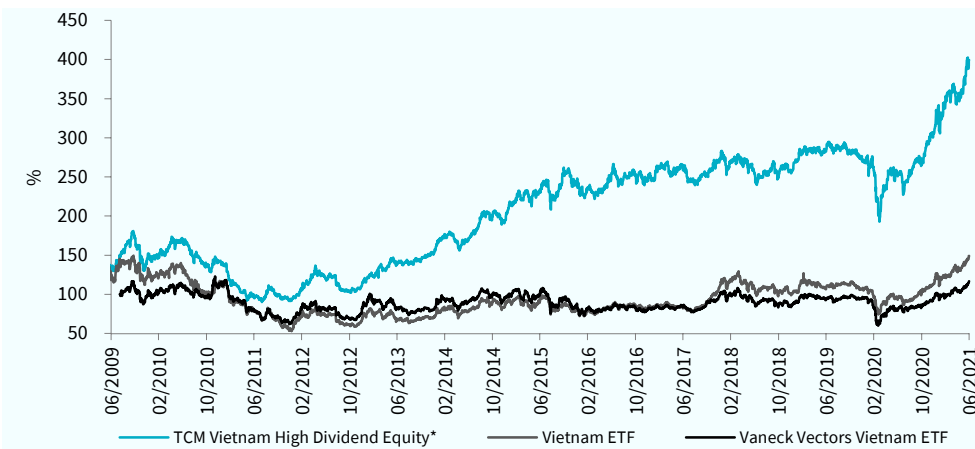
The month of June brought a 8.49% performance for investors in the TCM Vietnam High Dividend Fund. Strong corporate earnings caused a strong momentum on the three Vietnamese exchanges.

During the second quarter Vietnam's GDP growth amounted to 6.6%, despite the fact that a new wave of Covid-19 started in May. The GDP growth figures over the first half of 2021 were broadly in line with expectations. Because of new outbreaks and the slow start of the vaccination process the second half of the year might show some lower growth. Currently social distancing has been in place and for example restaurants had to close at the start of June. The government has launched a vaccination campaign, aiming at having 70% of the population vaccinated by the end of the year. Campaigns have started to convince the public that vaccination is the best option to contain the pandemic without the impact of possible lock downs.

Exports and imports numbers continued to be impressive during the first six months. Exports grew by 28% to \$157.5bn, and imports increased even by 36% to \$159bn. Vietnam recorded a trade deficit of \$1.5bn after a longer period of trade surpluses. This was basically attributable to the lock down of some industrial production areas which heavily contribute to the export numbers. The higher import numbers are generally regarded as a signal that new orders are increasing and exports will follow swift as many important export markets are reopening.

The fund holds 32 positions across a number of sectors at the end of June 2021. The average TCM Vietnam portfolio P/E is at 10.6 and the dividend yield currently amounts to 4.75%. The fund is tilted towards higher dividend paying ("value") companies in the mid- and small cap area. Consumer Staples and Industrials are the main sectors weighting 20.9% and 14.9%. Within these sectors we currently find the most high dividend stocks which meet our criteria. The weighting of a sector in the fund 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	2021	2020	2019	Since start***
TCM Vietnam High Dividend Class BD	8.49%	10.75%	28.31%	15.66%	5.89%	50.84%
Vietnam ETF	8.50%	16.67%	31.36%	6.98%	5.14%	37.18%
Vaneck Vectors Vietnam	8.78%	13.90%	22.64%	0.89%	11.41%	25.17%

\* 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 - € 136.1

**Total Fund size:** € 7.4 million

**Share Class size:** Share Class A - € 0.017 million

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

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

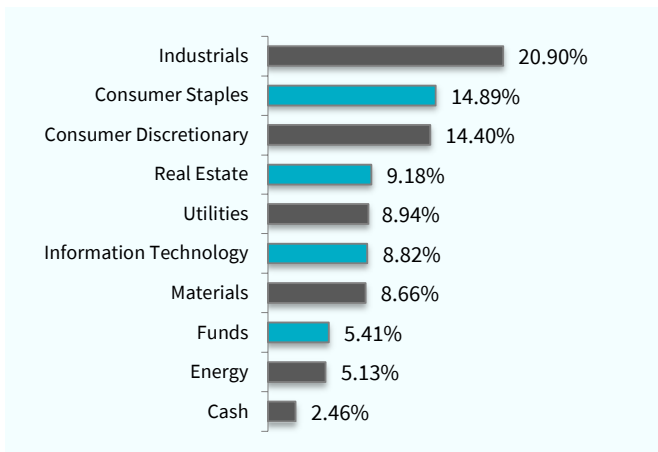
**Fund Management:** Frontier Markets Team  
Wytze Riemersma  
Marco Balk

**Custodian:** Caceis Bank Luxembourg Branch

**Paying Agent:** Caceis Bank Luxembourg Branch



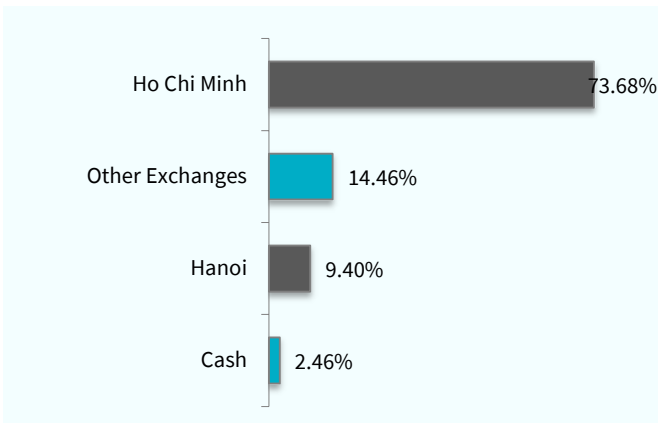
## Sector Allocation



## Top 10 Holdings

Position	Weighting
Fpt Corp	7.98%
Hoa Phat Group Jsc	5.78%
Vietnam Holding Ltd	5.41%
Petrovietnam Transportation	5.13%
Vietnam Engine & Agricultura	4.92%
Song Hong Garment Jsc	4.90%
Tng Investment & Trading Jsc	4.86%
Danang Rubber Jsc	4.64%
Pha Lai Thermal Power Jsc	4.54%
Sao Ta Foods Jsc	4.26%
<b>Total weightings Top 10</b>	<b>52.43%</b>

## Exchange Allocation



## Fund Characteristics

Characteristics	Fund
Number of Positions	32
Dividend Yield in %*	4.75
Price/Earnings Ratio*	10.69
Price to Book Ratio *	1.75
* 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

#### 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%  
 3.18%  
 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%  
 2.66%  
 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.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.