

## The Fund Manager writes

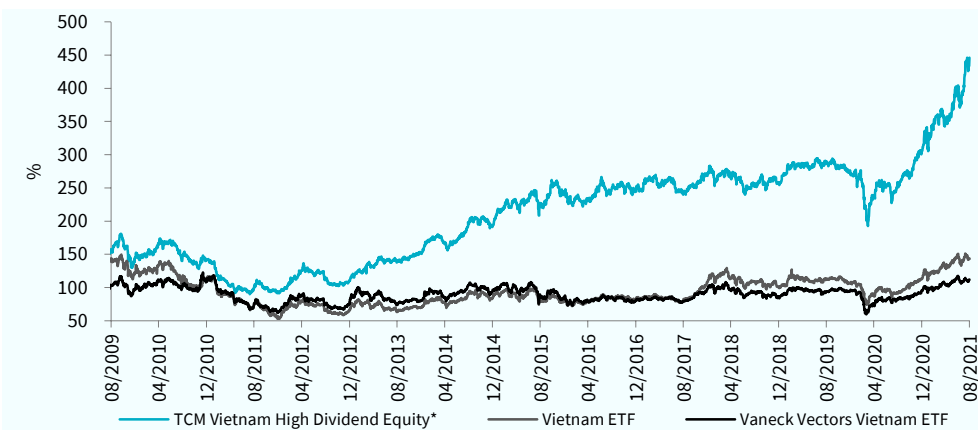
The VN-Index ended the month 2.9% higher, measured in euro. It was a very volatile month, where Covid-19 news made up most of the headlines. The Financial sector, accounting for 36% of the index, was the only sector to report negative returns in August as 14 out of 16 bank stocks suffered losses during the month. The TCM Vietnam High Dividend Fund experienced a very strong return as the portfolio gained 11.05%, outperforming the major benchmarks by 10%. Since the fund is underweighted in Financials and Real Estate (another underperforming sector this month) and other sectors like Healthcare (+17.5%), Materials (+11.9%), Industrials (+11.8%) and Communication (+9.1%) performed well, the outperformance grew strongly. Also the fact that rotation from large to midcap (i.e. rotation to value) is taking place, contributed to the return.

During the month of August, Vietnam received 9.4 million doses of vaccine from AstraZeneca and Pfizer. The vaccination progress is speeding up, especially in Ho Chi Minh City, where almost 86% of the people older than 18 have been vaccinated with 1 dose. Nationwide the picture is quite different, currently 20.1% of Vietnam's population received at least one dose of vaccine. The Vietnamese government announced it will import 170 million doses of vaccine, most of them will be delivered in the second half of the year.

According to the government, FDI disbursement grew by 2.0% to \$11.6bn during the first 8 months of the year. New registered FDI reached \$19.1bn, down 2.1%, versus a year ago.

The fund currently holds 33 positions across a number of sectors at the end of August 2021. The average TCM Vietnam portfolio P/E is at 11.4 and the underlying dividend yield currently amounts to 6%. The fund is tilted towards higher dividend paying ("value") companies in the mid- and small cap area. Industrials and Consumer Staples are the main sectors weighting 22.5% and 14.9%. Within these sectors we currently find the most high dividend stocks which meet our criteria.

## Fund Performance



Return in euro**	1 mnth	3 mnths	2021	2020	2019	Since start***
TCM Vietnam High Dividend Class BD	11.05%	22.53%	44.91%	15.66%	5.89%	70.36%
Vietnam ETF	1.42%	4.50%	26.50%	6.98%	5.14%	32.11%
Vaneck Vectors Vietnam	1.47%	3.70%	16.92%	0.89%	11.41%	19.33%

\* 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 - € 152.18

**Total Fund size:** € 9.1 million

**Share Class size:**  
Share Class A - € 0.8 million

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

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

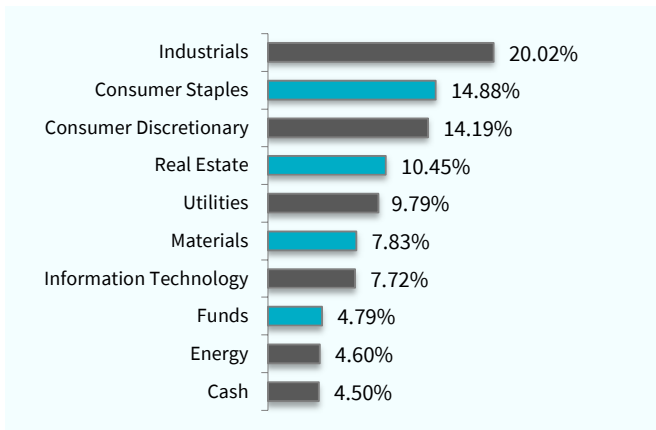
**Fund Management:**  
Frontier Markets Team  
Wytze Riemersma  
Marco Balk

**Custodian:**  
Caceis Bank Luxembourg Branch

**Paying Agent:**  
Caceis Bank Luxembourg Branch



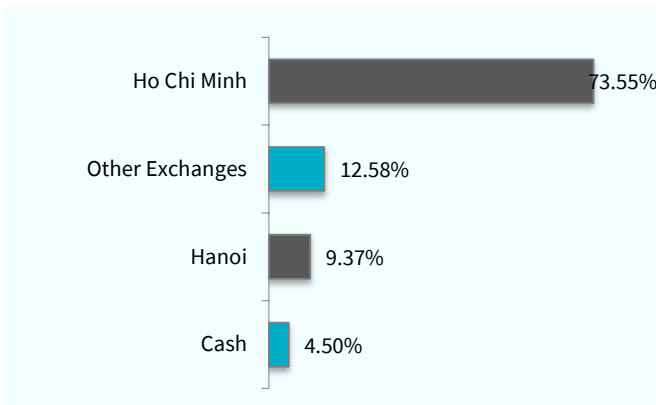
## Sector Allocation



## Top 10 Holdings

Position	Weighting
Fpt Corp	6.98%
Tng Investment & Trading Jsc	5.59%
Vietnam Holding Ltd	4.79%
Hai An Transport & Stevedori	4.73%
Hoa Phat Group Jsc	4.60%
Petrovietnam Transportation	4.60%
Danang Rubber Jsc	4.43%
Sao Ta Foods Jsc	4.40%
Song Hong Garment Jsc	4.17%
Tu Liem Urban Development Js	4.01%
<b>Total weightings Top 10</b>	<b>48.28%</b>

## Exchange Allocation



## Fund Characteristics

Characteristics	Fund
Number of Positions	33
Dividend Yield in %*	3.88
Price/Earnings Ratio*	11.36
Price to Book Ratio *	2.25
* source: Bloomberg/TCM	

## Subscription information

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 (2021)	3.18%
Clean share class	No
ISIN Code	LU1730853972
Bloomberg ticker	TCMVNA LX
Can be offered to investors in	FI, LU, NL, NO, SE

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

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.