

The Fund Manager writes

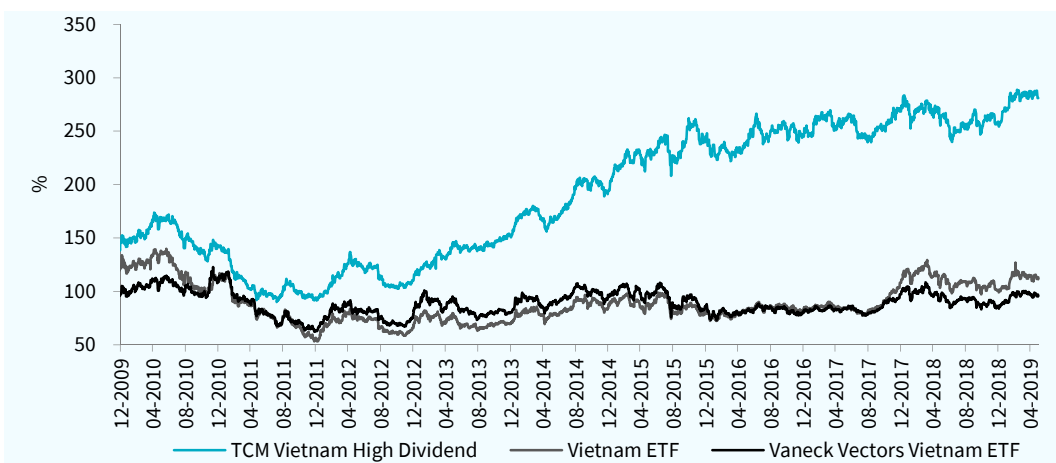
The TCM Vietnam High Dividend Fund lost 1.55% during the month of May. The fund outperformed its benchmark ETF by 0.8%. The absence of the big real estate names in the portfolio provided most of the positive contribution.

At the end of the month our holding in Vietnam Phoenix Fund announced a buy back of 13% of the outstanding shares. The current market valuation of the Phoenix fund is around 0.16 US\$ per share, the buy back is completed at the NAV of the fund 0.3375. If the Phoenix fund is able to liquidate all the remaining assets against the current NAV of US\$ of 0.3373 the TCM Vietnam fund might see a 6% upwards potential as a whole.

The month of May ended with a low average daily traded value of US\$ 155 million, the lackluster sentiment didn't inspire investors. Although more and more the results of the trade war seem to point in the direction of a positive turn out for Vietnam.

The trade deficit amounted to US\$ 1.3 billion, mainly due to high import growth +8.3% (exports +7.5%). The rise in import can be linked to the steep rise of committed FDI (+69%). As we have seen in the past a strong growth in FDI leads in the short term to a deficit on the trading account due to imports of machinery and equipment. This might be one of the first signals that production lines are moved from China to Vietnam, since more than 40% of the FDI was coming from Chinese companies. The fund currently holds 35 positions across a number of sectors. Consumer Staples and Basic Materials are the main themes weighting 18.55% and 16.91% respectively. Within these sectors we currently find the most high dividend stocks which meet our criteria. The weighting on sector level 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	2019	2018	2017	2016	2015	Since start**
TCM Vietnam High Dividend	-1,55%	-0,15%	9,25%	1,20%	9,65%	0,08%	26,28%	182,84%
Vietnam ETF	-2,36%	-2,79%	10,27%	-4,33%	32,02%	1,12%	-3,93%	11,18%
Vaneck Vectors Vietnam	-2,40%	-1,02%	12,61%	-6,22%	21,55%	-6,93%	-11,04%	-4,51%
Ho Chi Minh Stock Index	-2,27%	1,05%	9,89%	-4,85%	34,00%	20,62%	16,61%	286,68%
Hanoi SE Equity Index	-3,24%	0,07%	2,31%	-5,93%	31,79%	6,33%	6,39%	36,19%
Dong	-0,10%	1,02%	1,57%	2,75%	-13,62%	2,04%	5,22%	-11,48%

* Based on Total Return (Bloomberg data) ** Data is from inception of the fund: 12-01-2009

Fund Profile

At least half of the fund capital will be invested in listed shares on the exchanges of Ho Chi Minh City and Hanoi. At the most 20% of the fund can be invested in the Vietnamese OTC market. This depends on the liquidity of this market. TCM Vietnam investment policy will be aimed at achieving capital growth as well as dividend pay outs. The risk profile is high, due to investments being channelled into frontier markets in Vietnam. The relationship between global financial markets and the Vietnamese markets is low, because the latter are less sensitive to international developments. To achieve its objective, the Fund invests 95% to 100% of its total assets through TCM Investment Funds Luxembourg in units of TCM Vietnam High Dividend Equity (Lux). The Fund qualifies as feeder-structure.

Morningstar Rating™



(5 years 31-5-2019)

Net Asset Value: € 18.97

Share Price: € 18.88

Total Net Assets : € 6.5 million

Number of Shares: 340,884

Start Date: 12 January 2009

Structure: Open end

Aim: high dividend income as well as long term capital appreciation

Dividend: ± 4% per annum, payable at least once a year

Latest Dividend:

2019-05: € 0,74 gross dps
(for historical dividends see website)

Management Fee: 1.5% per annum

Performance fee: 10%
(these costs will only be charged at the level of the Master fund in Luxembourg)

Ongoing Charges Figure:

2.84% (Budget 2019)

Benchmark: FTSE Vietnam Index TR

(this is the benchmark of the Master fund in Luxembourg)

ISIN Code: NL0006489189

Bloomberg Ticker: TCMVN NA

Trading:

The fund is listed on Euronext, which means that the fund can be traded on trading days through any bank or broker. On trading days the fund will sell shares against NAV with a positive deviation of 0.5% and buy back against NAV with negative deviation of 0.5%.

Managing Company:

TRUSTUS Capital Management

Fund Management:

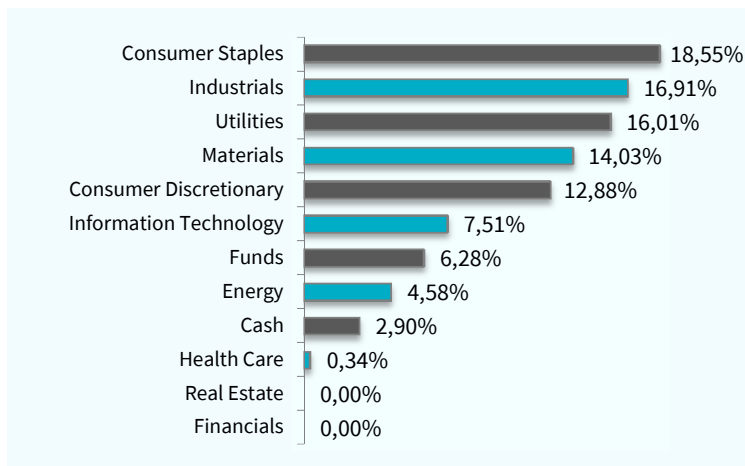
Frontier Markets Team:

Wytze Riemersma

Marco Balk



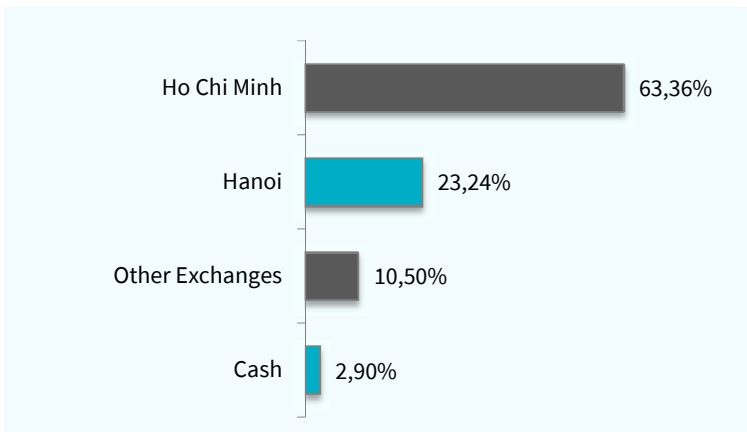
Sector Allocation



Top 10 Holdings

Position	Weighting
Petrovietnam Nhon Trach 2 Po	7,03%
Fpt Corp	6,70%
Vietnam Phoenix Fund Class C	6,28%
Pha Lai Thermal Power Jsc	6,02%
Tng Investment & Trading Jsc	5,43%
Sao Ta Foods Jsc	4,96%
Hatien 1 Cement Jsc	4,63%
Petrovietnam Transportation	4,58%
Halong Canned Food Jsc	4,28%
Masan Consumer Corp	4,22%
Total weightings Top 10	54,14%

Exchange Allocation



Fund Characteristics

Characteristic	Fund
Number of Positions	35
Dividend Yield in %*	6,51
Price/Earnings Ratio*	8,57
Price to Book Ratio *	1,42

* source: Bloomberg/TCM

The above data refers to the underlying portfolio of the master fund in Luxembourg in which the Dutch feeder fund invests for 95% to 100%.

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).



Morningstar

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Your connection to new markets



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