

The Fund Manager writes

In October, the fund rose 4.1% while the benchmark index increased 3.2%. Although the markets fell in Egypt (-1.6%) and Kenya (-2.9%), the stock market in Morocco gained 5.2%. In Nigeria the market rallied + 13.4%, with United Bank for Africa (+23.8%) as the biggest winner within the portfolio.

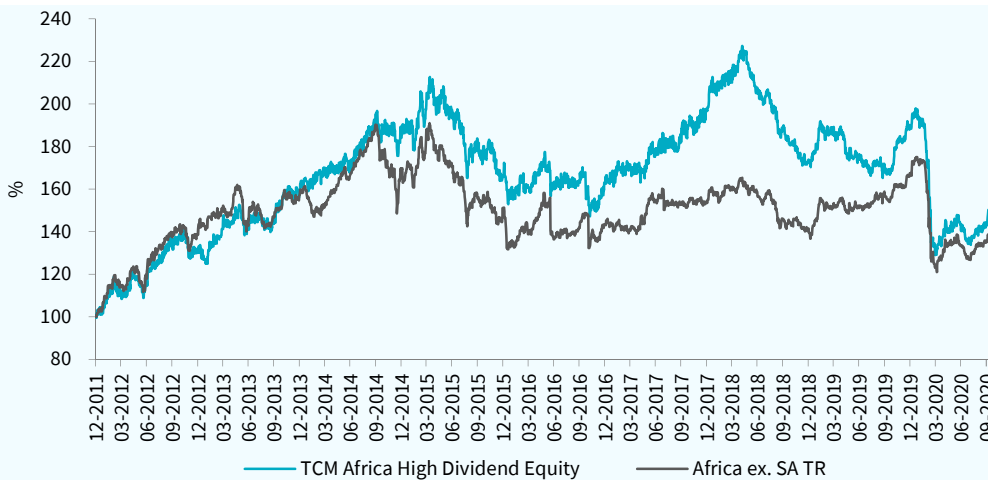
According to the Egyptian government, as a result of a solid economic reform program, economic growth is picking up again. The PMI in Egypt rose from 50.4 in September to 51.4 in October, driven by a recovery in consumer demand and export sales. Business conditions improved despite ongoing job losses as companies adjusted to the economic challenges of the pandemic. In September, the PMI rose above 50 for the first time in 14 months. The fact that the figure is now rising above 50 for the second month in a row is positive.

Economic growth is also picking up in Nigeria. The PMI rose from 52.5 in September to 53.5 in October, mainly caused by an increase in exports. Employment rose slightly, with the pace of job creation in line with previous months. Inflation has increased by 13.7%, higher than the expectation of 13.2%. Food prices in particular have risen sharply (16.6%). The cause is attributed, mainly to the border closure directive of the federal government that was announced in August 2019. Another factor is disappointing harvests and a rapidly growing population, in which the production of food does not increase in proportion to demand.

The Moroccan private sector will benefit from two green investments totalling € 253 million, made available by the European Bank for Reconstruction and Development (EBRD), the European Union (EU), the Green Climate Fund (GCF) and South Korea. Thanks to this financial support, local businesses can acquire green technology and become more competitive, making a sustainable contribution to Morocco's economic recovery.

The fund currently holds 31 stocks in 7 different countries. The countries with the largest weightings are Egypt (32.2%), Nigeria (22.5%), and Morocco (20.3%). These markets currently contain the most interesting high dividend stocks that meet the quality requirements.

Fund Performance



Return in euro*	1 mnth	3 mnths	2020	2019	2018	2017	2016	Since start**
TCM Africa High Dividend	4.10%	9.66%	-21.16%	8.64%	-12.25%	21.23%	-1.91%	-34.95%
Africa ex SA TR	3.23%	9.89%	-16.38%	18.96%	-8.62%	7.31%	-5.12%	-27.60%

* Based on Total Return (Bloomberg data)

** Data is from inception of the fund: 31-03-2008

Fund Profile

The fund is an equity fund, investing in listed shares in the northern and sub-Sahara regions of Africa. Initially it will focus on Egypt, Morocco and Nigeria. In addition, it will invest in Kenya, Ghana, Botswana and Mauritius. The relationship between global financial markets and African markets is low, because the latter are less sensitive to international developments. The investment policy of the fund will be aimed at achieving capital growth as well as dividend pay outs. The risk profile is very high, due to investments being channelled into frontier/emerging markets in Africa. To achieve its objective, the Fund invests 95% to 100% of its total assets through TCM Investment Funds Luxembourg in units of TCM Africa High Dividend Equity (Lux). The Fund qualifies as feeder-structure.

Morningstar Rating™



(3 years, 31-10-2020)

Net Asset Value: € 9.70

Share Price: € 9.65

Total Net Assets: € 8.5 million

Number of Shares: 872,431

Start Date: 31 March 2008

Structure: Open end

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

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

Dividend payment:

2020-05: € 0.45 gross dps

(for historical dividends check the website)

Benchmark: Africa ex South Africa Index TR (this is the benchmark of the Master fund in Luxembourg)

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:

2.76% (Budget 2020)

ISIN Code: NL0006173007

Bloomberg Ticker: TCMF 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%.

Management Company:

TRUSTUS Capital Management

Fund Management:

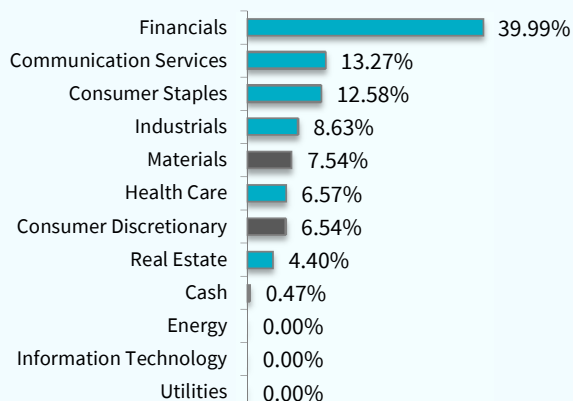
Frontier Markets Team

Wytze Riemersma

Marco Balk



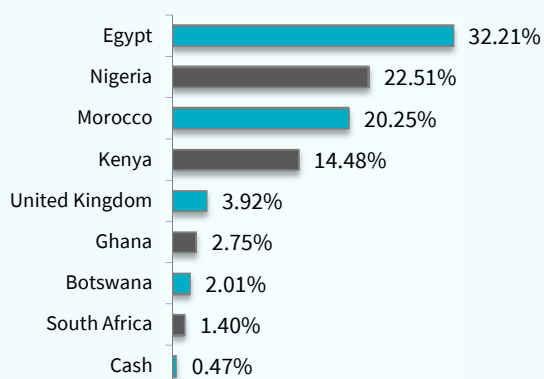
Sector Allocation



Top 10 Holdings

Position	Weighting
Zenith Bank Plc	5.18%
Guaranty Trust Bank	4.91%
Maroc Telecom	4.86%
Compagnie Miniere De Touissi	4.75%
United Bank For Africa Plc	4.54%
Safaricom Plc	4.50%
Medinet Nasr Housing	4.40%
Access Bank Plc	4.18%
Canal Shipping Agencies Co	4.07%
Total Maroc Sa	3.98%
Total weightings Top 10	45.36%

Country Allocation



Fund Characteristics

Characteristics	Fund	AFRICA ex SA
Number of positions	31	31
Dividend Yield in %*	7.15	4.31
Price/Earnings Ratio*	8.99	10.61
Price to Book Ratio *	1.25	2.01

* 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).



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