

## The Fund Manager writes

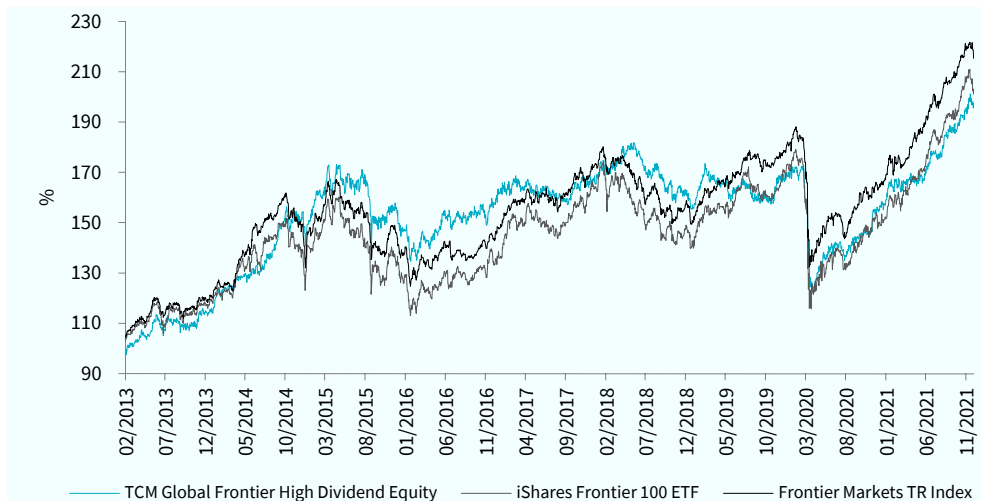
In November, the fund rose 1.01%, while the index and the FM100 ETF fell 2.68% and 3.29%, respectively. The difference can be explained by the dividend strategy, which means that the fund composition differs considerably from the index. In addition, experience has shown that dividend stocks often fall less sharply in down markets. Over the past month, markets have been shaken by Omikron and the FED's statement that inflation is no longer considered temporary. More uncertainty creates volatility and selling pressure. This particularly affects high-value stocks. The price-earnings ratio (P/E) of shares in the world index (21.8x) is much higher than that of the frontier markets index (14.89x). The fund's stock selection comes in at a P/E of 9.3x, so we think downside risk appears to be limited.

This month, holdings in Pakistan and Egypt contributed positively to the result, while Turkey had a depressing effect due to the depreciation of the Turkish lira. The weight in Turkey within the fund is about 2%, while the weight in Pakistan and Egypt is 8% and 7% respectively.

In November, Pakistan was downgraded from Emerging to Frontier market with the Karachi Stock Exchange falling 2.79%. However, the fund benefited from the rise in selected Pakistani stocks in its portfolio such as Fatima Fertilizer (+19.4%), Kot Addu Power (+18.4%) and Meezan Bank (+11.9%). Pakistan's central bank raised its key interest rate by 1.5 percentage points to 8.75%, which has a positive effect on Meezan Bank's net interest income.

In Egypt, our position in Ibsina Pharma was one of the winners, up 14.6% in euro. The company reported a profit of 137 million EGP (+23% year-on-year) for the third quarter, while the expectation was 87 million EGP. The company benefits from economies of scale and from digitization. For next year, double-digit growth is expected for the local pharmaceutical market. The stock is trading at 8.6x 2022 earnings with a 2.8% dividend yield.

## Fund Performance



| Return in euro*           | 1 mnth | 3 mnths | 2021   | 2020    | 2019   | 2018    | 2017   | Since start** |
|---------------------------|--------|---------|--------|---------|--------|---------|--------|---------------|
| TCM Global High Dividend  | 1.01%  | 5.44%   | 24.03% | -5.21%  | 7.74%  | -7.94%  | 3.94%  | 97.25%        |
| Frontier Markets TR Index | -2.68% | 4.80%   | 27.50% | -6.84%  | 20.33% | -12.25% | 15.68% | 115.26%       |
| iShares Frontier 100 ETF  | -3.29% | 4.69%   | 32.62% | -11.28% | 22.23% | -13.86% | 19.48% | 101.12%       |

\* Based on Total Return (Bloomberg data)

\*\* Data is from inception of the fund: 15-11-2012

## Fund Profile

The fund will invest in stocks listed on the local exchanges of the Frontier Markets Universe. To set up the portfolio the fund will make a selection of countries on the basis of quantitative and qualitative screening. By using these selection criteria the fund will have a diversified portfolio invested in several countries and sectors. The equally weighted portfolio will be re-weighted and re-allocated on a periodically scale. The risk profile is high, due to investment in equities and Frontier Markets. To achieve its objective, the Fund invests 95% to 100% of its total assets through TCM Investment Funds Luxembourg in units of TCM Global Frontier High Dividend Equity (Lux). The Fund qualifies as feeder-structure.

### Morningstar Rating™



(3 years, 30-11-2021)

**Net Asset Value:** € 12.91

**Share Price:** € 12.97

**Total Net Assets:** € 22.3 million

**Number of Shares:** 1,728,682

**Start Date:** 15 November 2012

**Structure:** Open end

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

**Dividend:** ± 5% per annum, payable twice a year

### Latest Dividend:

2021-11: € 0.26 gross dps  
(for historical dividends check the website)

**Benchmark:** Frontier Markets Index TR  
(this is the benchmark of the Master fund in Luxembourg)

**Management Fee:** 0.9 % per annum

**Performance fee:** 10%

(these costs will only be charged at the level of the Master fund in Luxembourg)

### Ongoing Charges Figure:

2.05% (Budget 2021)

**ISIN Code:** NL0010278073

**Bloomberg Ticker:** TCMGF 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:

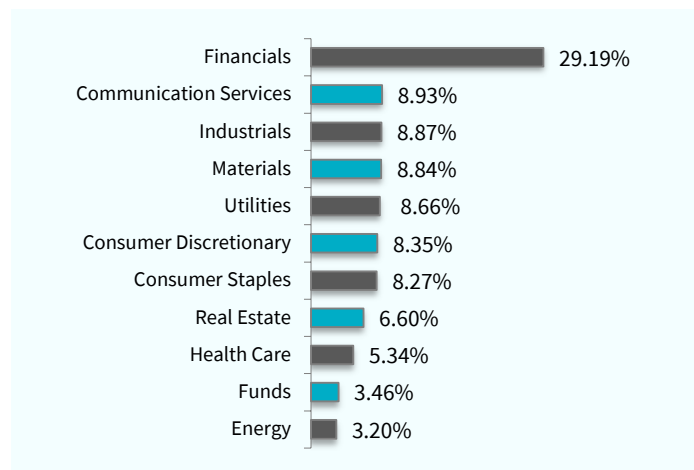
Frontier Markets Team

Wytze Riemersma

Marco Balk



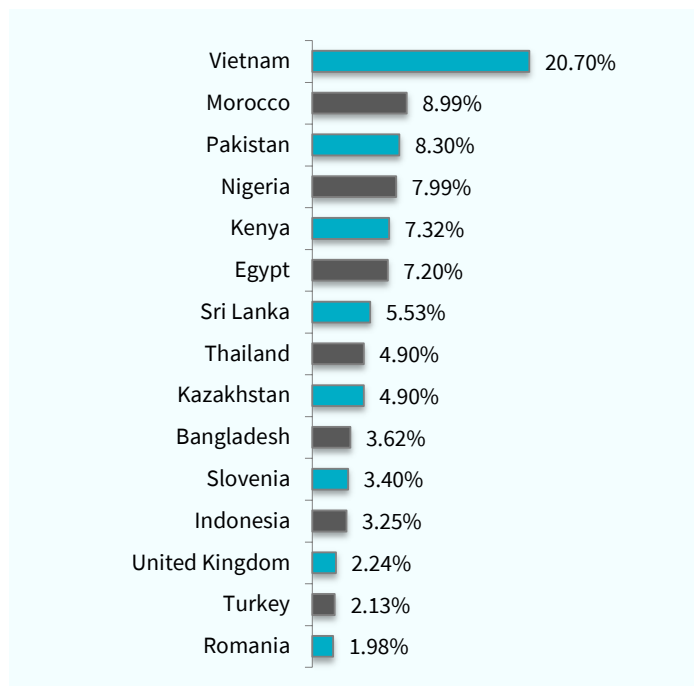
## Sector Allocation



## Top 10 Holdings

| Position                       | Weighting     |
|--------------------------------|---------------|
| Airtel Africa Plc              | 2.24%         |
| Jsc Kaspi.Kz Gdr-Reg S         | 2.22%         |
| Meezan Bank Ltd                | 2.16%         |
| Krka                           | 2.10%         |
| Quang Ngai Sugar Jsc           | 2.07%         |
| Totalenergies Marketing Maro   | 2.03%         |
| Marsa Maroc                    | 2.00%         |
| Fondul Proprietatea Sa/Fund    | 1.98%         |
| Vinhomes Jsc                   | 1.97%         |
| Integrated Diagnostics Holdi   | 1.93%         |
| <b>Total weightings Top 10</b> | <b>20.71%</b> |

## Country Allocation - Top 15



## Fund Characteristics

| Characteristics       | Fund | Benchmark |
|-----------------------|------|-----------|
| Number of positions   | 78   | 85        |
| Dividend Yield in %*  | 6.29 | 2.52      |
| Price/Earnings Ratio* | 9.34 | 16.59     |
| Price to Book Ratio * | 1.49 | 2.34      |

\* source: Bloomberg/TCM

## Investment Limits

|                                  | Fund     | Benchmark |
|----------------------------------|----------|-----------|
| GCC-Region limit                 | max. 35% | 7.85%     |
| Country limit                    | max. 20% | 30.10%    |
| Sector limit                     | max. 30% | 35.19%    |
| Company limit (equally weighted) | 1-2%     | 5.66%     |

For the benchmark this concerns the weighting for the GCC-region, the weighting for Kuwait (Country), Financials (Sector) and the largest individual position.

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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**TCM investment funds**  
Your connection to new markets

**TCM Global Frontier**  
High Dividend

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