

## The Fund Manager writes

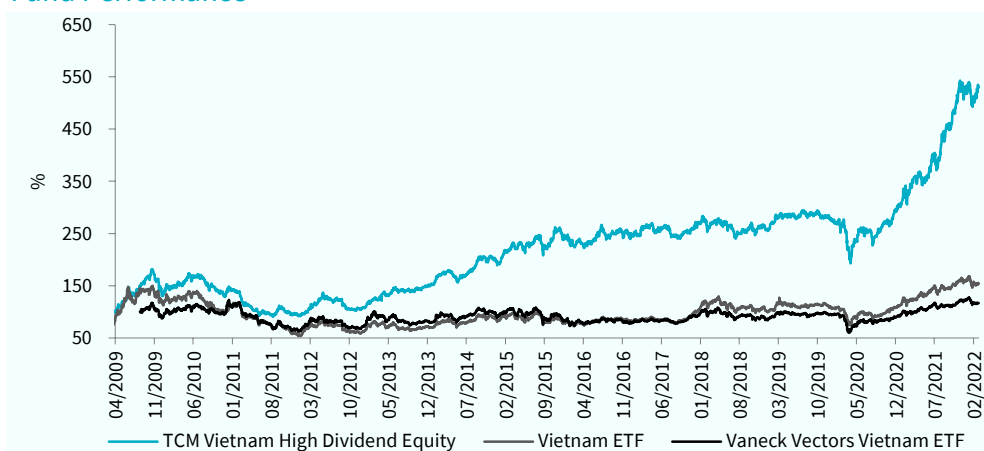
As global markets were shaken by the Russian invasion in the Ukraine, the Vietnamese stock market has been relatively resilient so far. The escalation of the crisis has not shown any material impact on Vietnam's economy. Maybe this is because Russia and Ukraine account for only 1.0% of Vietnam's exports. Although it is not unimaginable that this crisis might cause some more turmoil on the short term on the Vietnamese markets. The longer-term perspective however would support the accumulation of Vietnamese stocks in case of a correction.

The VN-Index advanced by 4.5% (measured in euro) in February. The TCM Vietnam High Dividend Fund gained 3.2%, while the benchmark ETF surprisingly showed a loss of 2.3%. Investors, after the Lunar New Year Holiday, have returned to the market. The difference in performance from the fund versus its benchmark is explained by the negative performance of the real estate sector and the banking sector during the month.

The trade balance showed a deficit of US\$ 2.3 billion, caused by imports of electronic and computer components. These are mostly raw materials and semi finished goods, suggesting an increase in exports going forward. Vietnam's Purchasing Manager Index rose to 54.3 from 53.7, proving that the economy is expanding supported by strong consumer demand. The retail sales grew by 3.1 on a yearly basis.

The fund currently holds 39 positions across a number of sectors at the end of February. The average TCM Vietnam portfolio P/E is at 12.8 and the underlying dividend yield currently amounts to 3.4%. 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 27.23% and 11.7%. 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	2022	2021	2020	2019	2018	Since start**
TCM Vietnam High Dividend	3.24%	-1.88%	0.34%	72.31%	12.84%	4.79%	-3.53%	429.27%
Vietnam ETF	-2.33%	-5.12%	-5.39%	41.56%	6.98%	5.14%	-6.65%	53.77%
Vaneck Vectors Vietnam	-1.17%	-4.61%	-6.66%	31.04%	0.89%	11.41%	-12.69%	16.56%
Ho Chi Minh Stock Index	-0.47%	1.67%	1.18%	49.24%	7.83%	11.96%	-4.85%	542.11%
Hanoi SE Equity Index	4.49%	-3.12%	-5.42%	157.29%	86.21%	2.65%	-5.93%	520.00%
Dong	-1.10%	1.12%	1.35%	-8.54%	2.00%	2.74%	-13.62%	-8.95%

\* 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™



(3 years, 28-02-2022)

**Net Asset Value:** € 32.94

**Share Price:** € 32.86

**Total Net Assets:** € 13.2 million

**Number of Shares:** 400.069

**Start Date:** 12 January 2009

**Structure:** Open end

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

### Dividend yield:

± 4% per annum

(since 1 February 2022, dividends received are no longer distributed but reinvested)

### Latest Dividend:

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:

2.72% (Budget 2022)

### 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:

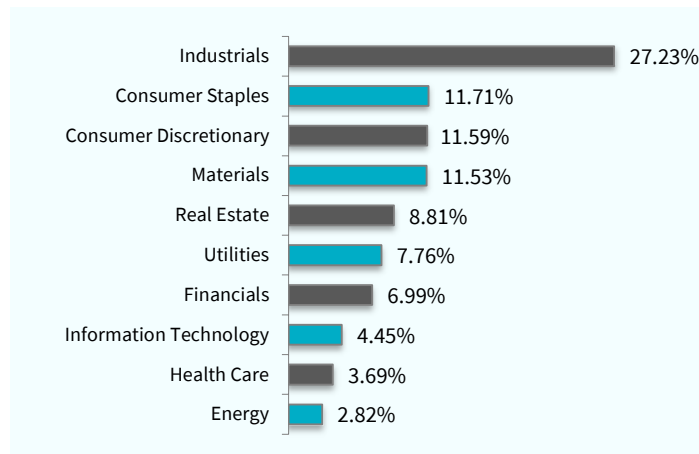
Frontier Markets Team:

Wytze Riemersma

Marco Balk



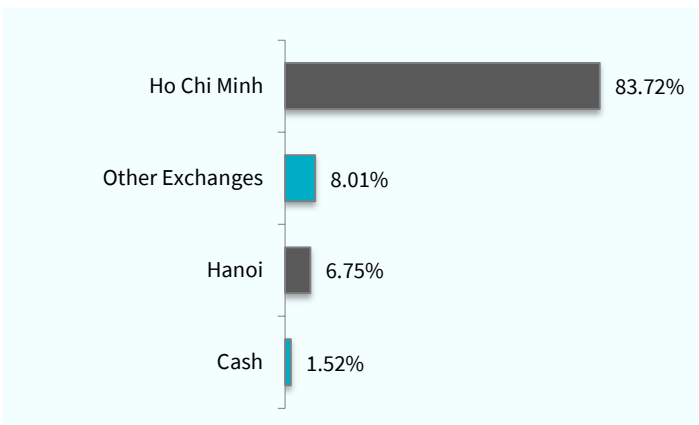
## Sector Allocation



## Top 10 Holdings

Position	Weighting
Hai An Transport & Stevedori	3.94%
Fpt Corp	3.92%
Tng Investment & Trading Jsc	3.72%
Military Commercial Joint	3.53%
Bao Viet Holdings	3.46%
Bamboo Capital Jsc	3.41%
Sao Ta Foods Jsc	3.28%
South Basic Chemicals Jsc	3.21%
Nam Long Investment Corp	3.19%
Binh Minh Plastics Jsc	3.09%
<b>Total weightings Top 10</b>	<b>34.77%</b>

## Exchange Allocation



## Fund Characteristics

Characteristic	Fund
Number of Positions	39
Dividend Yield in %*	3.44
Price/Earnings Ratio*	12.87
Price to Book Ratio *	2.33
* 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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