

# Aggressive Portfolio

31<sup>st</sup> December 2017

## Investment Objective

The Aggressive portfolio seeks high capital growth over the long term. The portfolio aims to exceed long term equity returns at lower than equity levels of

volatility. The portfolio is expected to be exposed to market cycles and significant short-term fluctuations in value. While the portfolio may offer significant capital

growth opportunities there is also a high risk of capital loss over the short and medium term.

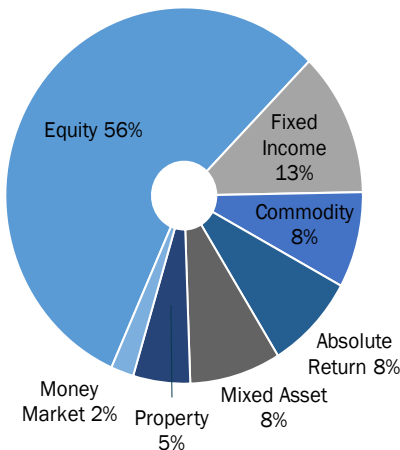
## Market Comment

From an investors perspective 2017 ended strongly with the FTSE 100, boosted by progress in the Brexit negotiations, adding over 5% to finish the year at an all-time high. Developed Market equities gained across other regions, with the strongest gains, outside the UK, being seen in the Emerging Markets, especially India.

Bonds and commodities saw modest gains with only Gold and precious metals losing value throughout a positive month. All portfolios benefited from these gains and, despite the cautious positioning we have adopted, ended the year having met target returns. Looking ahead into 2018 we continue to hold a cautious

position based primarily on valuation and political concerns.

Key Objectives	Target	Actual <sup>2</sup>	Performance (%) <sup>1</sup>	1 mth	3 mth	6 mth	YTD	1yr	S/I
Annualised Return <sup>2</sup>	7-10.0%	17.1%	<b>Rivers Aggressive Portfolio</b>	<b>1.56</b>	<b>3.64</b>	<b>5.59</b>	<b>12.24</b>	<b>12.24</b>	<b>26.77</b>
Portfolio Volatility <sup>2</sup>	16.0%	5.8%	FTSE All Share	4.78	4.96	7.21	13.10	13.10	26.64
Maximum Loss <sup>2</sup>	18.0%	1.4%	MSCI World	1.42	4.64	6.21	11.80	11.80	29.20
Highest OCF <sup>2</sup>	0.75%	0.68%							



## Top 10 Holdings

Allianz - Best Styles Global AC Equity C Acc	9.0%
Troy Asset Management Ltd - Trojan O Acc	8.0%
Fidelity - Index Europe ex UK P Acc	6.0%
HSBC - American Index C Acc	6.0%
Ardevora - Global Equity C Acc GBP	5.0%
Fidelity - Index Emerging Markets P Acc	5.0%
Investec - Global Energy I Acc GBP	5.0%
iShares - Global Property Securities Equity Index (UK) D Acc	5.0%
Vanguard - UK Inflation Linked Gilt Index A Gross Acc GBP	4.0%
Kames - Absolute Return Bond C Acc GBP	4.0%

Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	0.0%	13.0%	13.0%
Enhancers	85.0%	62.0%	-23.0%
Diversifiers	15.0%	25.0%	10.0%

## Current Model Characteristics

Number of holdings	21
Underlying fund charges (Excl fee) <sup>3</sup>	0.62%
Last rebalance date	Mar-17
Current expected portfolio yield <sup>3</sup>	1.16%
Classified 'Passive' investments	39.0%
Current loss since previous high <sup>4</sup>	-

## Rivers Asset Classification System:

**"Anchors"**: investments selected for low market correlation, low risk and capital preservation core characteristics. Significant allocation in low risk portfolios.

**"Enhancers"**: selected to increase portfolio long term return but exposed to equity risk. Allocation likely to increase with risk tolerance as returns become more volatile.

**"Diversifiers"**: selected for low correlation to traditional market equity and fixed income risk.

Diversifiers are essential for efficiency in all but the lowest and highest risk portfolios.

For a more detailed explanation please contact Rivers Capital Management

## Notes:

- The performance data shown is indicative only. Rivers Capital Management attempts to replicate accurately the performance of the underlying portfolio using Financial Express data but performances will likely differ from individual accounts due to inflows and timing issues. The performance is net of a 0.25%+VAT Rivers Capital Management fee.
- The 'Actual' data includes the highest ever OCF and loss and the annualised total return and volatility since inception on June 30, 2016
- The fees quoted are based on the current portfolio weightings using the latest available OCF data of each fund. The yield is not guaranteed.
- The current loss is calculated as the replicated loss from the previous month end highest portfolio value. Intra month or daily data may exceed this.

For further information or enquires, professional advisors please contact the investment team directly on **020 7866 2140** or by emailing **info@riverscm.com**

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