

# Aggressive Portfolio

31<sup>st</sup> December 2018



INTELLIGENT INTUITIVE INVESTING

## 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.

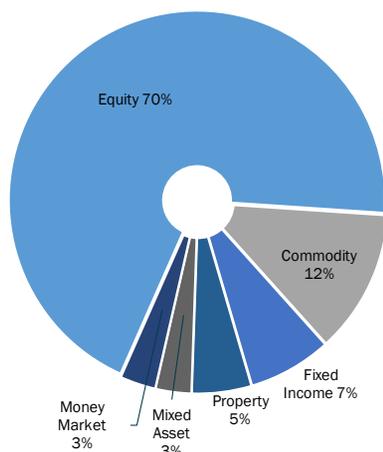
## Market Comment

December was particularly challenging for investors as equity indices, especially in the US, fell sharply. The loss was largely in response to the Federal Reserve decision to continue with its policy of monetary tightening, despite falling investor confidence in recent months. Gold and other Diversifier assets performed positively

while Anchor assets provided some protection as bond yields fell. Overall, though, the 7% loss across global equities led to an overall loss for the month. The portfolio has maintained an underweight risk allocation which reduced, but did not eliminate, losses during the very difficult final quarter. While we expect the changing

sentiment and slowing global growth to continue to impact markets we believe the opportunity to allocate risk at more attractive valuations in the coming weeks is good.

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%	8.1%	Rivers Aggressive Portfolio	-4.14	-6.66	-5.15	-4.17	-4.17	21.43
Portfolio Volatility <sup>2</sup>	16.0%	7.4%	FTSE All Share	-3.75	-10.25	-10.98	-9.47	-9.47	14.64
Maximum Loss <sup>2</sup>	18.0%	5.3%	MSCI World	-7.44	-11.35	-5.77	-3.04	-3.04	25.27
Highest OCF <sup>2</sup>	0.75%	0.68%							



## Top 10 Holdings

Investec - Global Franchise I Acc	8.0%
Allianz - Best Styles Global AC Equity C Acc	8.0%
JPM - Europe Dynamic Ex UK C Acc	7.0%
Fidelity - Index Europe ex UK P Acc	7.0%
HSBC - American Index C Acc	6.0%
Multipartner SICAV - RobecoSAM Smart Materials Na GBP	6.0%
Xtrackers - Physical Gold ETC	6.0%
SVM - UK Opportunities B	5.0%
Schroder - Tokyo Z Acc	5.0%
Carmignac - Portfolio Emerging Discovery W GBP Acc	5.0%

Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	0.0%	5.0%	5.0%
Enhancers	85.0%	75.0%	-10.0%
Diversifiers	15.0%	20.0%	5.0%

## Current Model Characteristics

Number of holdings	19
Underlying fund charges (Excl fee) <sup>3</sup>	0.63%
Last rebalance date	Oct-18
Current expected portfolio yield <sup>3</sup>	1.58%
Classified 'Passive' investments	40.0%
Current loss since previous high <sup>4</sup>	-

### 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.

## 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



For further information or enquires, professional advisors please contact the investment team directly on **020 3383 0180** or by emailing **info@riverscm.com**

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