

# Aggressive Portfolio

31<sup>st</sup> December 2019



INTELLIGENT INTUITIVE INVESTING

## Investment Objective

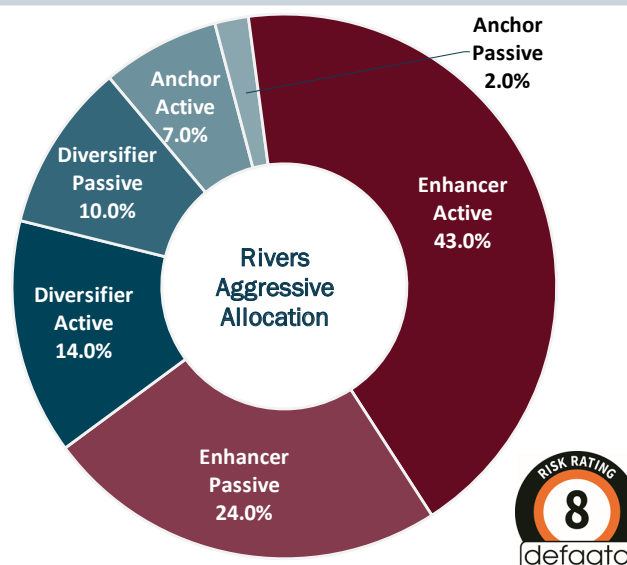
The Rivers Aggressive Portfolio seeks high capital growth after fees over the long term. The portfolio aims to exceed long term equity market returns at lower levels of volatility. The portfolio will be significantly exposed to global equity market cycles and significant short-term fluctuations in value should be expected. 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

Risk assets continued to advance during December. In the UK the Conservative election victory improved investor confidence in equities although the resulting certainty of Brexit saw sterling and Gilts lose value. From a global perspective confidence of a US/China trade agreement increased already elevated equity valuations. The portfolio gained value despite the overall defensive allocation and finished 2019 with above target returns. A portfolio rebalance maintained the tactical cautious allocation (risk level 2 out of 7) as concerns regarding valuations remain high. Fund changes resulted in an increase in UK equities although we expect a better opportunity to increase risk in the New Year.

Model Characteristics	Target	Current
Annualised Return <sup>1</sup>	7.0-10.0%	10.1%
Portfolio Volatility <sup>2</sup>	<16.0%	7.1%
Maximum Loss <sup>3</sup>	<18.0%	-5.3%
Ongoing charge of underlying <sup>4</sup>	<0.75%	0.56%
Number of holdings	<25	19
Last rebalance date	-	Apr-19
Current expected portfolio yield <sup>5</sup>	-	1.61%
Classified 'Passive' investments <sup>6</sup>	40%	40%
Since Inception Total Return	-	40.04%

Allocation	Strategic	Current	Tactical
Cash	0.0%	0.0%	0.0%
Anchors	0.0%	9.0%	9.0%
Enhancers	85.0%	67.0%	-18.0%
Diversifiers	15.0%	24.0%	9.0%



Performance (%) <sup>1</sup>	1m	3m	YTD	1yr	3yr
Rivers Aggressive Portfolio	1.47	1.55	15.33	15.33	23.99
FTSE All Share	3.32	4.16	19.17	19.17	22.01

Quarterly	Q1	Q2	Q3	Q4	Total
2016	-	-	-	3.89%	3.89%
2017	5.75%	0.53%	1.88%	3.59%	12.19%
2018	-3.84%	5.07%	1.61%	-6.66%	-4.17%
2019	6.38%	4.94%	1.73%	1.55%	15.33%

## 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 and annualised since inception (June 30<sup>th</sup> 2016)
- Volatility is calculated as the annualised average weekly standard deviation of return since inception (June 30<sup>th</sup> 2016)
- The maximum loss is calculated as the total loss from the highest previous month end portfolio value. Intra month or daily data may exceed this.
- The ongoing charge is based on the current portfolio weightings using the latest available OCF data of each fund.
- The yield is the average yield as published by each fund and not guaranteed
- Rivers investment committee determines a Passive allocation target (20-60%) dependant on the perceived market opportunity
- Relative risk level determined between 1 and 7 within the tactical constraints of all models with a level 4 considered tactically neutral

## Top 10 Holdings

Allianz - Best Styles Global AC Equity C Acc	Enhancer Active	8.0%
Investec - Global Franchise I Acc	Enhancer Active	8.0%
Smith & Williamson - Defensive Growth B Inc	Anchor Active	7.0%
Fidelity - Index Europe ex UK P Acc	Enhancer Passive	7.0%
Foresight UK Infrastructure Income Acc	Diversifier Active	6.0%
Slater - Growth P Acc	Enhancer Active	6.0%
L&G - Sterling Corporate Bond Index I Acc	Enhancer Passive	6.0%
Xtrackers - Physical Gold ETC	Diversifier Passive	6.0%
SVM - UK Opportunities B	Enhancer Active	5.0%
Artemis - US Select I Acc GBP	Enhancer Active	5.0%



Please contact Rivers directly on **020 3383 0180** or by emailing **info@riverscm.com**

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may cause the value of investments and the income from them to fall as well as rise. Unless otherwise stated, the source of all figures contained herein is Rivers Capital Management. Whilst all reasonable care has been taken in preparing this factsheet, the information contained herein has been obtained from sources that we consider reliable but we do not represent that it is complete or accurate and it should not be relied upon as such.