

# RICHMOND HOUSE INVESTMENT MANAGEMENT

## RHIM DYNAMIC MODEL FACTSHEET

The RHIM Dynamic model aims to produce an attractive level of capital growth over the medium term with lower volatility than the IA sector, investing in collective investment schemes. This is a multi-asset global portfolio with an equity weight of between 50% and 75% which will involve investing in UK and overseas equities, including emerging markets. However, the model will typically also use targeted absolute return funds in order to reduce volatility associated with equity investing and at least 15% will be also invested in fixed interest and/or property as deemed appropriate. Asset allocation will be actively managed around the higher side of medium risk profile. This means investors should be comfortable with periods of volatility, although this is expected to be lower than a pure equity portfolio. The model will sit within risk profile 5 on a scale of 1-10, where 1 is cash and 10 is 100% high risk equity markets. Please see the reverse for historical volatility and peak to trough data.

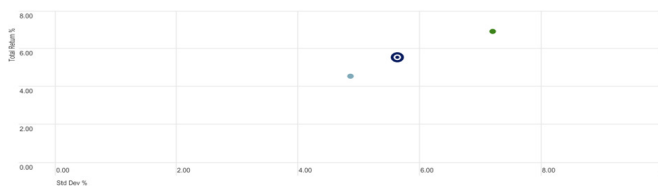


### Commentary

**February 2020 UPDATE**

The Dynamic model was down 3.9% over the last three months as equities fell in February. Even after December's gains, the FTSE 100 was down 9.6% over the last three months and 9% in February alone. Smaller companies have held up better recently and the two UK Micro-Cap funds were up 3-4% over the last three months. Overseas equities were also better-performing regions, although they were still predominantly down. Asia and emerging markets, where the models are overweight, performed better than developed markets. The JPM Asia Growth fund was down just 0.1% over the last three months while the Aubrey Global Emerging Markets fund was up 5.5%. The two bond funds were up 1-2% over the period while the infrastructure and real asset funds were only just negative on average. The gold equity fund did not act as a safe haven in February as all assets sold off but the more governments spend to prop up their economies, the better gold should do. The Merian Gold & Silver fund was still up 1% over the three months to the end of February. Over the year, the Dynamic model was up 2.6% as equities gave up a lot of their recent gains in February.

### Risk Return (5 years) as at 31st December 2019



\*For illustrative purposes only.

### Performance (Cumulative) as at 29th February 2020

|                   | 1 year | 5 years | 10 years | Since Inception |
|-------------------|--------|---------|----------|-----------------|
| <b>RHIM Model</b> | 2.62%  | 16.48%  | 79.44%   | 124.30%         |
| <b>PCI Return</b> | 4.69%  | 17.75%  | 57.86%   | 79.51%          |
| <b>IA Sector</b>  | 5.17%  | 27.32%  | 87.00%   | 104.68%         |

### Performance Chart since inception



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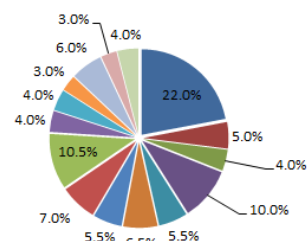
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# RICHMOND HOUSE

## INVESTMENT MANAGEMENT

|                                   |                              |
|-----------------------------------|------------------------------|
| <b>Key Facts</b>                  | RHIM Dynamic                 |
| <b>Launch Date</b>                | 1 <sup>st</sup> January 2006 |
| <b>IA Sector</b>                  | IA 40-85% Sector             |
| <b>Private Client Index (PCI)</b> | PCI Balanced Index           |
| <b>RHIM Fee</b>                   | 0.5% + VAT                   |
| <b>No. Holdings</b>               | 27                           |
| <b>Historical Yield</b>           | 2.89% (as at 29.02.20)       |

### Asset allocation



- UK Equity
- Asia ex-Japan Equity
- Mixed Global Equity
- North American Equity
- Japanese Equity
- Emerging Market Equity
- Europe ex-UK equity
- Specialist Equity
- Infrastructure
- Targeted Return Strategies
- Property Shares
- Physical Property
- Convertible Bonds
- Emerging Market Bonds
- Real Assets

The Historic Yield reflects distributions declared over the past twelve months as a percentage of the valuation as at the date shown. Investors may be subject to tax on their distributions.

| Risk Statistics-Data as at 31 <sup>st</sup> December 2019 | Annualised Return | Annualised Volatility | Worst Peak to Trough |
|-----------------------------------------------------------|-------------------|-----------------------|----------------------|
|-----------------------------------------------------------|-------------------|-----------------------|----------------------|

| Risk Statistics-Data as at 31 <sup>st</sup> December 2019 | Annualised Return | Annualised Volatility | Worst Peak to Trough |
|-----------------------------------------------------------|-------------------|-----------------------|----------------------|
| <b>RHIM Model – 3 years</b>                               | 5.21%             | 5.38%                 | -6.74%               |
| <i>IA Sector</i>                                          | <i>6.22%</i>      | <i>6.72%</i>          | <i>-8.28%</i>        |
| <b>RHIM Model – 5 years</b>                               | 5.54%             | 5.63%                 | -6.74%               |
| <i>IA Sector</i>                                          | <i>6.90%</i>      | <i>7.21%</i>          | <i>-8.71%</i>        |
| <b>RHIM Model – since inception</b>                       | 6.46%             | 7.38%                 | -18.37%              |
| <i>IA Sector</i>                                          | <i>5.63%</i>      | <i>9.57%</i>          | <i>-29.19%</i>       |

### Risk

Higher-risk investments tend to experience greater volatility, which means they are likely to go up and down in value more often and by larger amounts than lower-risk investments. In return, higher-risk investments have the potential to produce higher returns over the long term, although this is not guaranteed. If you do not understand the risks involved with the portfolio it is important that you seek clarification from your Financial Adviser before making an investment.

### This Factsheet

This factsheet demonstrates the exposure, characteristics and performance of the named RHIM model. Your actual portfolio may differ depending on your individual circumstances. All features described in this fact sheet are current at the time of publication and may be changed in the future.

### Currency

Some funds will hold overseas assets and as a result will also have exposure to overseas currencies. Exchange rates can fluctuate and may cause the value of the investment to rise or fall.

### Investment Term

It is generally accepted that equity investments should be regarded as long term investments and should be held for a minimum of five years, ideally longer. Your time horizon and capacity for loss are important considerations when selecting the most appropriate RHIM model.

### Property Funds

The value of property is generally a matter of a valuer's opinion which may not be readily realisable. There are liquidity risks associated with investing in property whereby encashments may be delayed waiting for properties to be sold.

### Performance

It should be noted that past performance is not necessarily a guide to future performance. The price of shares/units and income from them may fall as well as rise and is not guaranteed. RHIM Performance illustrated is net of fund charges, but does not include Richmond House Investment Management discretionary management fees, nor fees that may be incurred through your Financial Adviser. PCI returns are net of the Discretionary Manager charges and use provisional data.