



Rivkin Managed Australian Equity Account

rivkin[®]

Strategy Objective

The Rivkin Managed Australian Equity Account aims to produce positive average annual returns while seeking to maintain a level of volatility lower than that of the S&P/ASX 200 Accumulation Index over the same investment period.

Launch Date

6 March, 2018

Equivalent Unit Price

A\$1.0168 (28 February, 2019)

Number of Holdings

44

Minimum Investment

A\$500,000

Management Fee

1.50%, ex GST

Performance Fee

7.50%, ex GST (subject to high watermark)

Available Platforms

CMC Markets Stockbroking Australia

Manager

Rivkin Securities Pty Ltd, trading as Rivkin Asset Management

Contact

Thomas Silitonga
Wholesale Wealth Manager
thomas.silitonga@rivkin.com.au
+612 8302 3600

MONTHLY UPDATE - FEBRUARY 2019 CURRENT EQUIVALENT UNIT PRICE - A\$1.0168

Performance	RAEMA	ASX200 Acc	Relative Performance
MTD	7.12%	5.98%	1.14%
QTD	13.28%	10.08%	3.20%
Calendar YTD	13.28%	10.08%	3.20%
Financial YTD	-0.76%	2.56%	-3.31
12m			
Inception	1.68%	7.81%	-6.13%

Welcome investors to the monthly update for the Rivkin Australian Equity Managed Account (RAEMA) for February 2019. Following on from a strong return in January (+5.75%), the RAEMA posted solid returns in February, with the Equivalent Unit Price (EUP) ending the month at 1.0168, for a monthly gain of 7.12%. The strategy continues to rebound strongly from a poor December 2018 quarter, having gained 13.28% so far this calendar year, compared to a return for the ASX 200 Accumulation Index of 10.08%, equalling an outperformance of 3.2%.

February was a busy month for ASX listed companies, with earnings season in full swing. As a result, there was an increased level of volatility at the stock level, as investors reacted to the updated company financials. On balance, earnings season was a boost for the strategy, with several of our holdings having great results, including Appen (APX), Altium (ALU), IDP Education (IEL), and Webjet (WEB). In general, these companies reported strong growth in all financial metrics and clearly surprised the market with the quality of their results. Companies whom investors reacted poorly to included Wisetech (WTC) and Cochlear (COH).

The 10 largest holdings account for 36.6% of assets, an increase from 32.8% from the month prior. Of these, the largest stock holdings include Appen at 6.27%, IDP Education at 5.11%, Bravura Solutions at 4.19%, and Altium at 3.69%. The Information Technology (IT) sector is the largest sector weight in the strategy at 29.5%, and one of the most significant ways in which we differ from the broader ASX200. Across all top 200 companies, IT stocks only comprise 2.3% of the overall market capitalisation of the Index, the second smallest Index sector only to utilities. The other major way that the current makeup of the RAEMA differs from the ASX 200 regards the financial sector. The RAEMA has been light-on with financial stocks for many months now, with the current weighting still at 0%, compared to the Index at 32.3%. To summarise, the RAEMA is heavily overweight information technology and heavily underweight financials.

Cash levels of the strategy have continued to reduce, with the portfolio at month end largely fully invested, with cash making up just 4.2% of total assets. In terms of how we allocate the strategy's capital across different strategies, we continue to champion a 20% allocation to non-equity style returns, which to us means, strategies that have a low correlation to the broader equity market, and that tend to have much lower volatility to equities in their own right. Up to this point, we have achieved this by splitting this 20% allocation between a Low Volatility strategy, which is allocated across bonds, cash, gold, and US equities, and the Income strategy, which is comprised of ASX listed Hybrids, which are securities that comprise both equity and debt components. One of the hybrids held, being Multiplex SITES Trust began the month at a price around \$85, only to close at \$94, a large monthly capital gain for a hybrid security. This followed an update alluding to the likelihood that this security will be redeemed at \$100 in September. While this was not explicitly stated, we assign a large probability to this happening, and thus will continue to hold.

Important Disclaimer

The Rivkin Australian Equity Fund is available to wholesale investors only. Past performance is not a reliable indicator of future performance. The value of your investment may rise and fall, and you may not receive the amount originally invested.

Strategy Objective

The Rivkin Managed Australian Equity Account aims to produce positive average annual returns while seeking to maintain a level of volatility lower than that of the S&P/ASX 200 Accumulation Index over the same investment period.

Launch Date

6 March, 2018

Equivalent Unit Price

A\$1.0168 (28 February, 2019)

Number of Holdings

44

Minimum Investment

A\$500,000

Management Fee

1.50%, ex GST

Performance Fee

7.50%, ex GST (subject to high watermark)

Available Platforms

CMC Markets Stockbroking Australia

Manager

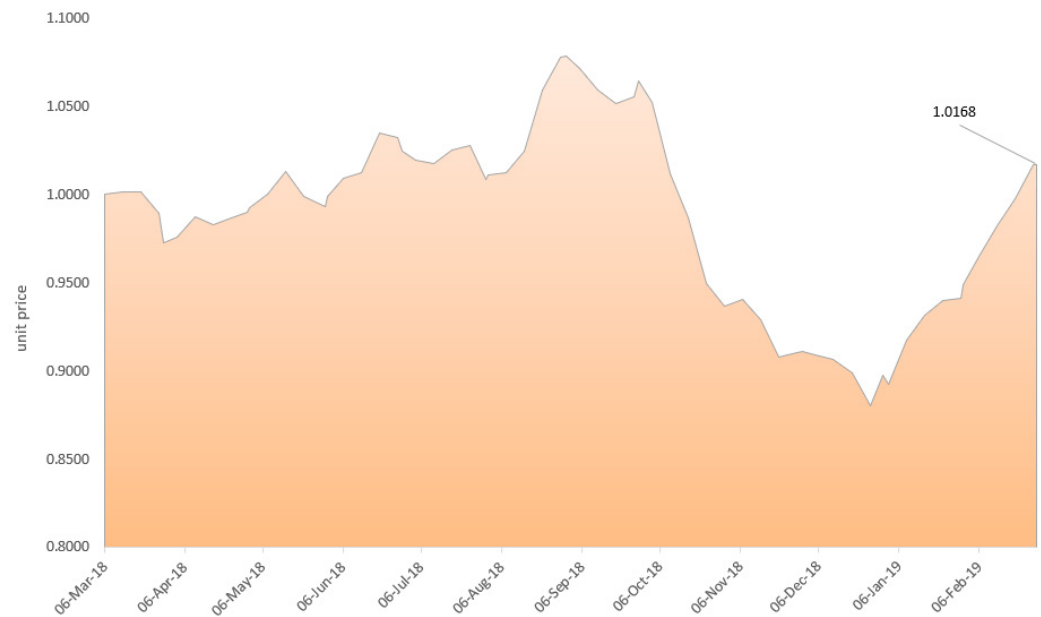
Rivkin Securities Pty Ltd, trading as Rivkin Asset Management

Contact

Thomas Silitonga
Wholesale Wealth Manager
thomas.silitonga@rivkin.com.au
+612 8302 3600

Looking forward to March, with earnings season now behind us, we would envisage volatility to reduce somewhat, notwithstanding the likelihood of a pause in the current uptrend in equity markets, given the strong rally over the past 2 months.

PERFORMANCE CHART



MONTHLY RETURNS

RAEMA	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018			-2.7%	1.7%	0.6%	2.6%	-1.6%	6.7%	-1.3%	-12.0%	-2.7%	-1.5%	-10.7%
2019	6.3%	7.1%											13.8%
Accumulated Return													1.63%

STRATEGY DESCRIPTION

The model invests predominantly in listed Australian companies whose characteristics satisfy one or more of the strategies that occupy the portfolio. These strategies include: Momentum 100 & 200, being two discreet segments (ASX 100 & ASX 200 ex the ASX 100) of securities that are enjoying positive price trends; Quality, being companies with robust earnings profiles that are priced favourably versus their peers; Income, being securities that provide a high yield relative to the broader market; and occasionally cash, which cushions market shocks.

Important Disclaimer

The Rivkin Australian Equity Fund is available to wholesale investors only. Past performance is not a reliable indicator of future performance. The value of your investment may rise and fall, and you may not receive the amount originally invested.

Strategy Objective

The Rivkin Managed Australian Equity Account aims to produce positive average annual returns while seeking to maintain a level of volatility lower than that of the S&P/ASX 200 Accumulation Index over the same investment period.

Launch Date

6 March, 2018

Equivalent Unit Price

A\$1.0168 (28 February, 2019)

Number of Holdings

44

Minimum Investment

A\$500,000

Management Fee

1.50%, ex GST

Performance Fee

7.50%, ex GST (subject to high watermark)

Available Platforms

CMC Markets Stockbroking Australia

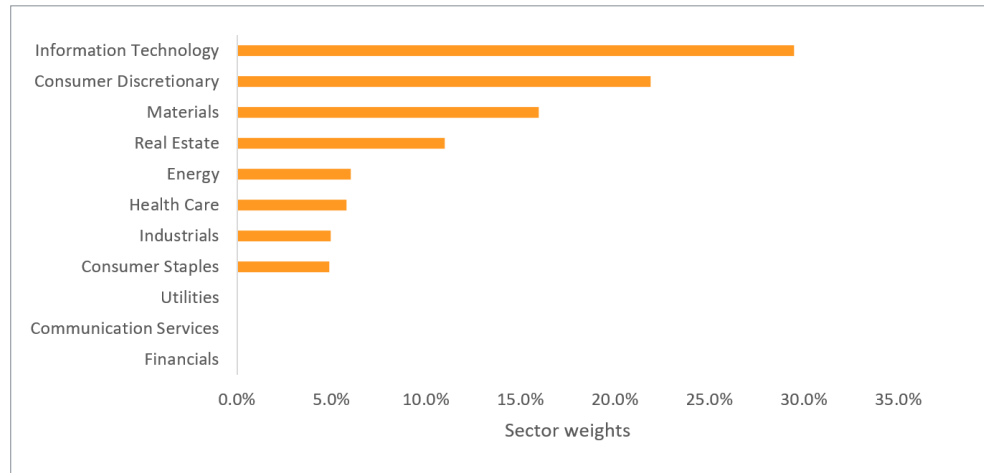
Manager

Rivkin Securities Pty Ltd, trading as Rivkin Asset Management

Contact

Thomas Silitonga
Wholesale Wealth Manager
thomas.silitonga@rivkin.com.au
+612 8302 3600

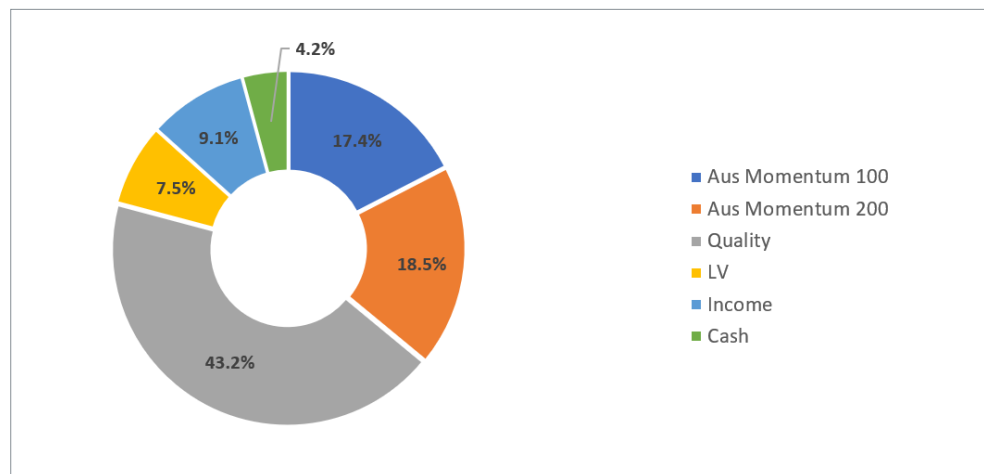
SECTOR BREAKDOWN



TOP 10 STOCK HOLDINGS

Stock	Ticker	Sector	Weight
Appen	APX	Information Technology	6.27%
IDP Education	IEL	Consumer Discretionary	5.11%
Bravura Solutions	BVS	Information Technology	4.19%
Altium	ALU	Information Technology	3.69%
Webjet	WEB	Consumer Discretionary	3.45%
Corporate Travel Management	CTD	Consumer Discretionary	2.97%
Beach Energy	BPT	Energy	2.83%
Technology One	TNE	Information Technology	2.76%
Multiplex Hybrids	MXUPA	N/A	2.69%
Aristocrat Leisure	ALL	Consumer Discretionary	2.66%

STRATEGY WEIGHTING



Important Disclaimer

The Rivkin Australian Equity Fund is available to wholesale investors only. Past performance is not a reliable indicator of future performance. The value of your investment may rise and fall, and you may not receive the amount originally invested.



Oliver Gordan
Global Investment
Director
(BAgrEc, GradDipAppFin)



Dr. William O'Loughlin
Investment Analyst
(BE Aero, PhD Eng)



Dion Rivkin
Senior Dealing
Manager
(DipSB, DipIT, ADA 1)



Shannon Rivkin
Local Investment Director
(DipFM)



Nikos Enginertan
Chief Executive Officer
(BSoc, BStats, MBA)



Greg Freckmann
Finance & Compliance
Manager



Thomas Silitonga
Wholesale Wealth
Manager
(DipSB, ADA1, RG146)



1300 748 546



info@rivkin.com.au



www.rivkin.com.au



@RivkinLive



/RivkinSecurities

Important Disclaimer

The Rivkin Australian Equity Fund is available to wholesale investors only. Past performance is not a reliable indicator of future performance. The value of your investment may rise and fall, and you may not receive the amount originally invested.