

RWC Partners unveils Diversified Return Fund

October 2019

RWC Partners has today announced the launch of the RWC Diversified Return Fund after the hiring of the senior members of multi-strategy specialists Agilis Investment Management LLP.

The Diversified Returns Team led by Clark Fenton, along with colleagues Charles Crowson and Praveen Kanakamedala, has a distinct investment approach which aims to harness the best elements of alternative investment management whilst reducing cost and providing frequent liquidity.

The RWC Diversified Return Fund is anchored around the credit cycle and has the remit to invest in non-conventional structures to capture idiosyncratic returns across the full market cycle, exploiting opportunities in periods of market dislocation.

At launch, the Fund's current positioning reflects a late cycle credit expansion which the team believe has the potential to significantly impact equity volatility and companies' ability to service high debt levels.

The Fund – a mirror of the strategy they have offered to investors since 2017 – aims to provide exposure via both long and short positions across fixed income, equity and commodity markets.

The credit-cycle framework identifies four distinct phases which require different approaches to portfolio construction and trade expression. The current phase, over-extended leverage, is characterized by high debt levels, deteriorating credit quality, rich asset values and low levels of volatility.

About RWC Partners

At RWC Partners we invest on behalf of our clients with the aim of helping them meet their long-term financial objectives. We are committed to achieving this with the highest levels of skill, integrity and transparency.

We specialise in providing strategies that enable our clients to invest in developed and emerging market equities, convertible bonds, diversified return and income solutions that help them meet their long-term financial needs. We feel a strong sense of responsibility to provide the highest standards of investment management; good value for money; clear information that helps our clients understand what we are doing; and a stable organisation that is both long-term and trustworthy.

RWC Partners is a stable, forward-thinking organisation that embraces responsible autonomy, freedom, integrity, and alignment of interests. We believe that in order to deliver the results our clients expect we

“ With the credit cycle flashing danger signals, the Fund's focus in 2019 has been to stay on the right side of market liquidity.

A rapidly strengthening dollar and forced Federal Reserve intervention in the overnight repo market in September suggests that Q4 may bring a repeat of the liquidity issues which faced the market in Q4 2018. As such, the fund is entering the final quarter of the year with peak exposure to moves higher in equity volatility and wider in credit spreads. ”

CLARK FENTON, MANAGING PARTNER & CIO

“ We believe investors need strategies that diversify their risk away from core equity and fixed income assets, especially at this juncture as correlations remain elevated.

This strategy offers both institutional and wholesale investors a potentially cost-effective way to add diversification to their portfolios, with the benefits of frequent liquidity. ”

TORD STALLVIK, HEAD OF BUSINESS DEVELOPMENT

must continuously invest in our people, our approach to investing and our infrastructure.

At the heart of RWC Partners are teams of experienced investment professionals with expertise in specific fields. Our teams are led by people who are distinguished in their chosen area and demonstrate a total commitment to the responsibilities they have to their clients.

Our organisation benefits from being both flexible and progressive. We are proactive in our approach to technological development and innovation, enabling our fund managers to consistently provide solutions that meet the challenges of an ever evolving market place.

Today we invest c. \$18.4bn (as at 30.09.19) on behalf of our clients, who include some of the foremost global institutions and advisors.

For more information visit www.rwcpartners.com

CONTACT US

Please contact us if you have any questions or would like to discuss any of our strategies.

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