



4 January 2012

### **RiverCrest Capital launches European Equity Alpha Fund**

RiverCrest Capital, the absolute return fund management business established by Sir John Beckwith's Pacific Investments in 2011, has rolled out its second offering with the launch of the European Equity Alpha Fund. The Fund's objective is to achieve consistent and uncorrelated absolute returns of 12-15% (net of fees) with a target volatility of 5 – 8%, whilst preserving investor capital. The European Equity Alpha Fund is UCITS registered and operates via Morgan Stanley's FundLogic Alternatives Platform.

The Fund is managed by Giles Worthington and Tim Short, who each have over 16 years' experience in the European equity market, with Giles latterly as Head of European Investments at M&G. Tim Short also joined from M&G, where he was a fund manager and Head of Portfolio Strategy and Risk Management. The investment process was developed and incubated by the managers whilst at M&G, they then joined RiverCrest specifically to focus on this absolute return strategy. The key features are:

- The marriage of a proven stock-picking capability with capital preservation at the portfolio level. The fund has a unique combination of alpha generation from stock selection both on the long and short side and risk control which removes systematic risk from the portfolio.
- Market leading risk control systems are used to navigate extremes of market volatility and macro-uncertainty, enabling positive returns in all market conditions.
- The strict risk framework and daily real time risk management ensures objectivity and consistency of stock selection with uncorrelated absolute returns.

Rod Barker, CEO of RiverCrest Capital, commented: "The sustained period of high market volatility and high correlations has proven to be a very challenging environment for absolute return investing. As such we are seeing significant investor demand for a product capable of achieving consistent double digit returns whilst importantly preserving capital. The RiverCrest European Equity Alpha Fund is a strategy which maximises intended outcomes and minimises unintended outcomes and as such has proven an ability to perform in these challenging markets. We are delighted to offer our investors access to this approach through the launch of this Fund."

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**Notes to Editors:**

This press release is for journalists only and should not be relied upon by financial advisers or customers; it is issued by RiverCrest Capital which is authorised and regulated by the FSA.

**1. RiverCrest Capital**

RiverCrest Capital was established in 2011 by Rod Barker and Pacific Investments PLC, a highly experienced and successful long-term investor in the industry.

The business strategy is to combine best in class fund management, client servicing and operations to deliver high alpha returns for investors with a focus on capital preservation.

By offering an institutionally robust infrastructure, experienced business management support and marketing, we aim to provide the framework within which our fund managers can focus on delivering market leading returns and optimize the balance between risk and reward.

**2. European Equity Alpha Fund - Key Facts****Strategy:**

Balanced conviction long-short European equities; focus on alpha generation, risk management and capital preservation.

**Risk Profile:**

A clearly defined and objective risk framework creates a process for managing volatility and maximising interaction across the long and short portfolios, in a purely objective manner.

<b>Structure:</b>	UCITS IV with Irish domicile
<b>Launch date:</b>	Dec 2 <sup>nd</sup> 2011
<b>Share Classes:</b>	GBP, EUR, USD
<b>Min. Initial Investment:</b>	£100,000, E100,000, \$100,000
<b>Annual Management Fee:</b>	1.6% (plus 0.4% platform fee)
<b>Performance Fee:</b>	20% with high water mark
<b>Subscription frequency:</b>	Weekly (3 business days' notice)
<b>Redemption Frequency:</b>	Weekly (5 business days' notice)