



RIO Professional Investors Fund recorded its fifth consecutive gaining month on the 31st December, ending 2014 on a positive note, the fund gaining a further 1.41% for the festive period.

Unlike me, due to stock market losses most asset managers were more concerned about their Christmas bonuses, or lack of them; at best industry bonuses will be lower than many in the business would like. Fortunately, RIO does not offer me or any of my staff Christmas bonuses, so we were able to operate unaffected by this annual event.

The fund continues to show its value in volatile periods, given the stock market carnage witnessed during the festive season many may be surprised at the fund posting a reasonable gain. This gives me the opportunity to declare that any member worried about further stock market volatility should note that the fund holds 4.62% of its asset class in stocks, due to this being a low risk profile holding more than this would be unacceptable. The fund offers the best of both worlds; it has a safety haven status and track record portraying what many members consider a reasonable performance.

The funds cash negative position has been reduced further

My fund manager's comments posted on 1st November to the fund's stand-alone web site recorded the fact that I had successfully reduced the negative cash position. In doing so I had achieved the goal of bringing the fund perfectly in line with its risk/reward ratio. (Some members may not be aware that the Fund, due to size, has its own stand-alone web site, www.rioprofessionalinvestorsfund.com).

RIO Property assets now represent 21.09% of the Professional Investors Fund; this reduced from November's 23.91% on the back of profit taking executed in December. The continued success of RIO Properties has affected positively the Fund's performance since early summer 2014.

Reducing risk, I took the opportunity and utilized the proceeds to further reduce the negative cash position which now sits below my target figure of 5%, at - 4.07%, this showing a significant improvement from the -11.15% recorded in summer 2014.

Looking forward

In the coming months I am confident that I will be able to execute further profit taking by realizing another small percentage of property assets held and in doing so the fund will have locked in gains taken during 2015. This is exactly in line with the plan, since we are now approaching two important dates as both the new build/construction work and renovation works are nearing their target completion dates.

William Gray
Fund Manager