

## RIT Capital Partners posts positive performance in first half

5 August 2019

Investment group RIT Capital Partners posted a positive performance in the first half, that nevertheless missed its benchmark.

The company's net asset value total return per share for the six months through June was 8.5%.

The MSCI All Country World Index rose 16.3% over the same time period.

'The last decade has seen a confluence of factors which have benefitted companies' earnings to an unprecedented extent. Lower cost of capital, reduced taxes, stagnant wages and the influence of globalisation contributed to record profit margins,' chairman Lord Rothschild said.

'These positive factors are, however, unlikely to be sustained.'

'Trade wars, the weakening of economic growth and the risk of recession are of concern, particularly at a time when stock markets have reached all-time highs.'

'Against this backdrop we are seeking to invest in situations that either give us a degree of protection in potentially deteriorating conditions or in areas where structural growth rates are sufficiently high for valuations to hold their own or indeed prosper.'

'This approach shapes our asset allocation and security selection. We seek to identify and to invest in companies with strong balance sheets, attractively low valuations and which are likely to exceed GDP growth rates.'

'Many of our recent private investments are designed to benefit from some structural protection.'

'Outside of equities, we look for uncorrelated strategies which are not dependent on economic growth and which we expect to produce positive returns.'

At 8:02am: [LON:RCP] RIT Capital Partners Plc share price was 0p at 2080p