

## CMC Markets launches 'Signature' share basket CFDs

Portfolios constructed using institutional-style analysis

- Created in a unique collaboration with industry experts
- Offers intelligent market exposure, supported by a technical portfolio strategy
- Australia 200 RRG Momentum+ basket available for Australian traders
- Baskets offer lower holding costs than self-constructed portfolios

13 May 2021 - CMC Markets, ([www.cmcmarkets.com](http://www.cmcmarkets.com)), one of the world's leading contracts for difference (CFD) providers, has again extended its range of unique index products with the launch of signature share baskets, offering customers new opportunities for trading and portfolio diversification.

Signature baskets are constructed by applying complex investment methodologies to highlight stocks. These stocks share common price behaviours, rather than just focusing on industry sector, geography or size as a traditional share basket does and recalibrated every three months to ensure products are maintaining that exposure.

The first set of these signature baskets are based on Relative Rotation Graphs, which identify those stocks which are exhibiting positive momentum when compared to their benchmark indices. Essentially, each basket contains 10 stocks that are generating the most momentum over a three month period. By purposely avoiding stocks which are seen to be underperforming, back testing has shown that the strategy historically outperformed the wider market.

For Australian traders, six share baskets have been made exclusively available to CMC Markets Professional CFD clients, including Australia 200 RRG Momentum+, a selection of products within the ASX200 that exhibit positive relative strength versus the overall index.

Fraser Allan, Head of Sales Trading at CMC Markets APAC and Canada, said, we have developed these unique signature share baskets in conjunction with recognised market experts to allow our clients to follow a specific trading methodology.

"We know our clients are always keen to explore new opportunities and the early response to these baskets, designed to focus on strong relative momentum stocks from a range of equity indices, has already been encouraging," he continued.

The signature share baskets have been designed in conjunction with Julius de Kempnaer and Trevor Neil, market professionals who collectively have more than 75 years of trading experience and spent the last 16 years developing the concept of Relative Rotation Graphs. This analysis is now available on a range of leading market data platforms including Bloomberg terminals and REFINITIV Eikon, and is also widely used by many investors.

Julius de Kempnaer of RRG Research added, "Products like this are designed to offer another layer of flexibility and recognise the increasingly sophisticated needs of CMC's clients. They understand that investment professionals have no shortage of portfolio methodologies at their disposal, so this addition means we are able to provide yet another genuine innovation for those using CMC's trading platform."

The RRG portfolio methodology looks to give traders exposure to those assets exhibiting strong relative momentum price movements versus their benchmark. For example, CMC's Australia 200 RRG Momentum+ basket captures positive momentum from a selection of the largest Australian stocks, creating an equally weighted portfolio of the 10 most promising prospects, with the basket rebalanced quarterly.

Over the 12 months to March 4th 2021, the UK 350 RRG Momentum+ basket delivered a return of 88.92%, versus the UK100 which returned 6.79%. Past performance is not a reliable indicator of future results.

The seven RRG Momentum+ share baskets on offer are drawn from major benchmark equity indices in the USA, Australia, Germany, Hong Kong and the United Kingdom.

For more information on basket constituents and the index weighting methodology please visit: <https://www.cmcmarkets.com/en-gb/share-baskets-trading>

### **About the RRG Team**

Julius De Kempnaer cut his teeth in investment as a fund manager at AXA after four years in the Dutch Royal Military Academy, where he left as a captain. Before starting RRG® Research he served in various buy- and sell-side roles, including stints on the trading floor and co-authoring analysis at RABObank International and Kempen & Co.

Trevor Neil has been a trader for over 30 years and currently runs a systematic technical fund, as well as training portfolio managers from some of the top investment firms in Europe. He started out as a commodity trader for Merrill Lynch, and before long became head of technical analysis at Bloomberg. On leaving there at the end of 2003, he formed BETA Group and operated a hedge fund based in South Africa.

### **About CMC Markets**

CMC Markets plc. (CMCX), was established in 1989 and through regulated offices and branches in 15 countries are now one of the world's leading independent financial services providers. CMC Markets is now the second largest retail stockbroker in Australia\*. Through our award-winning, online and mobile trading platforms, we enable clients to trade over 10,000 financial instruments including contracts for difference (CFDs), foreign currencies (FX), Binaries and Countdowns, electronically traded funds (ETFs), shares, mFunds (unlisted managed funds), options, listed managed investments, warrants and interest rate securities. Please see our website for more information [www.cmcmarkets.com.au](http://www.cmcmarkets.com.au)

\*As reported by IRESS, in terms of total value of trades executed by both CMC Markets and ANZ Share Investing.

**For further information, journalists can contact:**  
**DEC PR, on behalf of CMC Markets APAC**  
[cmcmarkets@decpr.com.au](mailto:cmcmarkets@decpr.com.au)