

# Adventurous Portfolio

31st May 2017



INTELLIGENT INTUITIVE INVESTING

## Investment Objective

The Adventurous Portfolio aims to achieve its objective by diversifying across a broad range of assets with differing return and volatility profiles.

The Adventurous portfolio seeks capital growth as a primary objective and aims to achieve conservative equity like returns at volatility levels about two thirds as

high as equity. Sharp fluctuations in the value of the portfolio can be expected in order to achieve greater potential returns over the longer term.

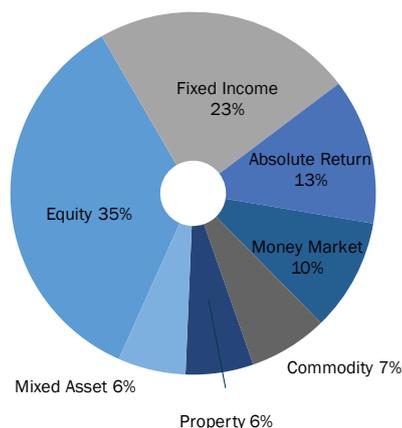
## Market Comment

The month of May proved to be another strong month for equities and risk assets. The UK equity market hit record high levels and renewed sterling depreciation boosted returns for any foreign held equities, especially in Europe. With the exception of precious metals

commodity prices fell as the oil price hit its lowest level of the year. A number of global economic indicators disappointed during the month but market confidence seemed largely unaffected. The portfolio continued its positive trend despite the defensive allocation we have

adopted. Risk remains expensive and with economic improvement already appearing to slow we believe the portfolio is well positioned to protect value during what we expect to be a more volatile period ahead.

Key Objectives	Target	S/I <sup>2</sup>	Performance (%) <sup>1</sup>	1 mth	3 mth	6 mth	YTD	1yr	S/I
Target Return	6.0-8.5%		<b>Rivers Adventurous Portfolio</b>	<b>1.21</b>	<b>1.95</b>	<b>7.64</b>	<b>5.56</b>	<b>N/A</b>	<b>17.41</b>
Maximum Risk	13.00%		IA Mixed 40%-85% Equity	2.46	3.39	8.97	6.25	19.08	17.06
Expected Maximum Loss	15.00%		IA Flexible Investment	2.52	3.30	9.32	6.67	21.41	18.51
Maximum OCF <sup>3</sup>	0.75%								



### Top 10 Holdings

Kames - Absolute Return Bond C Acc GBP	8.0%
Vanguard - UK Inflation Linked Gilt Index Acc	7.0%
TwentyFour - Monument Bond I Net Acc GBP	6.0%
Troy Asset Management Ltd - Trojan O Acc	6.0%
Allianz - Best Styles Global AC Equity C Acc	6.0%
BlackRock - Global Property Securities Equity Tracker D Acc	6.0%
Royal London - Cash Plus Y Acc	5.0%
BlackRock - Cash D Acc	5.0%
Ardevora - Global Equity C Acc GBP	5.0%
L&G - Sterling Corporate Bond Index I Acc	5.0%

Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	10.0%	31.0%	21.0%
Enhancers	73.0%	45.0%	-28.0%
Diversifiers	17.0%	24.0%	7.0%

## Current Model Characteristics

Number of holdings	22
Underlying fund charges (Excl fee) <sup>3</sup>	0.59%
Last rebalance date	Mar-2017
Current expected portfolio yield <sup>3</sup>	0.94%
Classified 'Passive' investments	44.0%
Current loss since previous high <sup>4</sup>	

### Rivers Asset Classification System:

**"Anchors"**: investments selected for low market correlation, low risk and capital preservation core characteristics. Significant allocation in low risk portfolios.

**"Enhancers"**: selected to increase portfolio long term return but exposed to equity risk. Allocation likely to increase with risk tolerance as returns become more volatile.

**"Diversifiers"**: selected for low correlation to traditional market equity and fixed income risk.

Diversifiers are essential for efficiency in all but the lowest and highest risk portfolios.

For a more detailed explanation please contact Rivers Capital Management

### Notes:

- The performance data shown is indicative only. Rivers Capital Management attempts to replicate accurately the performance of the underlying portfolio using Financial Express data but performances will likely differ from individual accounts due to inflows and timing issues. The performance is net of a 0.25%+VAT Rivers Capital Management fee.
- The since inception data will be blank until July 2017 when the model replication will be 12 months old. The model inception date is July first 2016.
- The fees quoted are based on the current portfolio weightings using the latest available OCF data of each fund. The yield is not guaranteed.
- The current loss is calculated as the replicated loss from the previous month end highest portfolio value. Intra month or daily data may exceed this.

For further information or enquires, professional advisors please contact the investment team directly on **020 7866 2140** or by emailing **info@riverscm.com**

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currency movements may cause the value of investments and the income from them to fall as well as rise. Unless otherwise stated, the source of all figures contained herein is Rivers Capital Management. Whilst all reasonable care has been taken in preparing this factsheet, the information contained herein has been obtained from sources that we consider reliable but we do not represent that it is complete or accurate and it should not be relied upon as such.