Balanced Income Portfolio

31st March 2017

RIVERS CAPITAL MANAGEMENT

INTELLIGENT INTUITIVE INVESTING

Investment Objective

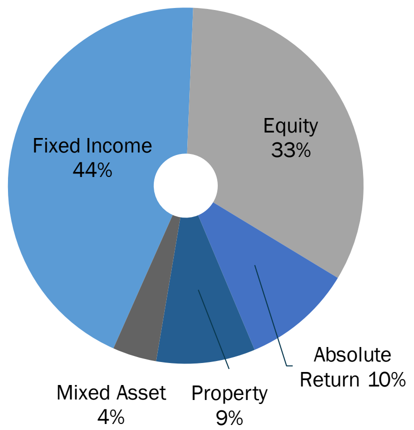
The Balanced Income Portfolio targets an income of 4.0% by diversifying across a broad range of assets with differing return and volatility profiles. After Income, the portfolio is expected to maintain real value after inflation while minimising the possibility of the investment falling in value. The typical investor seeks consistent income from their investment but is able to accept a moderate level of risk for the potential of higher income. They recognise that their capital is at risk and that its value may fluctuate.

Market Comment

March was generally another positive month for investors although increased volatility indicated heightened investor concern in some asset classes. The pound modestly strengthened against the US dollar as the Federal Reserve indicated interest rates would rise more slowly than had previously been expected. US Dollar weakness affected commodity prices and some non sterling equities although European and Emerging Market equities gained relatively. During the month we lowered risk by decreasing exposure to equity and adding diversification. Valuations are high and we believe protecting capital now will enable us to be opportunistic when valuations become more attractive in the future.

Key Objectives	Target	S/I[2]
Target Return	5.0-6.0%	
Maximum Risk	7.00%	
Expected Maximum Loss	10.00%	
Maximum OCF[3]	0.75%	

Performance (%)[1]	1 mth	3 mth	6 mth	YTD	1yr	S/I[2]
Rivers Balanced Income Portfolio	**0.69**	**3.51**	**5.00**	**3.51**	**N/A**	**11.18**
IA Mixed 20%-60% Equity	0.79	2.93	4.29	2.93	12.91	10.53
IA Global Equity Income	1.61	4.91	10.71	4.91	25.42	18.38



Top 10 Holdings	
Schroder - Strategic Credit L Inc	10.0%
Aviva Inv - Multi Strategy Target Income 2	10.0%
L&G - Dynamic Bond Trust I Inc	9.0%
Fidelity - Enhanced Income W Inc	9.0%
Legg Mason - IF Western Asset Global Multi Strategy Bond X Inc	8.0%
Schroder - Mixed Distribution Z Inc	8.0%
NB - Short Duration High Yield Bond Inst Inc GBP	8.0%
HSBC - FTSE All Share Index C Inc	7.0%
BlackRock - Global Property Securities Equity Tracker D Inc	6.0%
Royal London - Cash Plus M Inc	5.0%

Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	27.0%	42.0%	15.0%
Enhancers	55.0%	45.0%	-10.0%
Diversifiers	18.0%	13.0%	-5.0%

Current Model Characteristics	
Number of holdings	15
Underlying fund charges (Excl fee)[3]	0.62%
Last rebalance date	Nov-16
Current expected portfolio yield[3]	4.09%
Classified 'Passive' investments	29.0%
Current loss since previous high[4]	

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:

1. 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.
2. The since inception data will be blank until the July 2017 when the model replication will be 12 months old. The model inception date is July first 2016.
3. The fees quoted are based on the current portfolio weightings using the latest available OCF data of each fund. The yield is not guaranteed.
4. 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**