

Preservation Portfolio

31st March 2017



INTELLIGENT INTUITIVE INVESTING

Investment Objective

The objective of the Capital Preservation portfolio is to create sufficient returns to maintain the real value of the portfolio after inflation. The portfolio can tolerate

short term and limited capital loss but its primary objective is to maintain value over the medium term. The portfolio will be invested primarily in low risk assets

which will be anchored to the prevailing risk free rate of return.

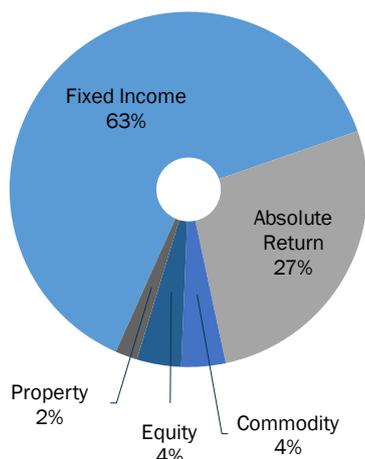
Market Comment

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	Performance (%) ¹	1 mth	3 mth	6 mth	YTD	1yr	S/I ²
Target Return	3.0-4.0%		Rivers Preservation	0.13	1.36	2.29	1.36	N/A	6.90
Maximum Risk	4.5%		IA Money Market	0.02	0.06	0.09	0.06	0.25	0.17
Expected Maximum Loss	5.0%		IA Mixed 0%-35% Equity	0.50	2.13	2.07	2.13	9.38	6.74



Top 10 Holdings

Aberdeen - Cash I Acc	15.0%
Royal London - Cash Plus Y Acc	13.0%
Kames - Absolute Return Bond C Acc GBP	12.0%
Muzinich - Enhancedyield Short Term A Hedged Inc GBP	10.0%
Old Mutual - Global Equity Absolute Return R Hedged Acc GBP	10.0%
TwentyFour - Monument Bond I Net Acc GBP	8.0%
BlackRock - UK Gilts All Stocks Tracker D Acc	8.0%
Vanguard - UK Inflation Linked Gilt Index Acc	7.0%
TM Fulcrum - Diversified Absolute Return C Acc GBP	5.0%
Ardevora - Global Equity C Acc GBP	4.0%

Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	70.0%	83.0%	13.0%
Enhancers	17.0%	6.0%	-11.0%
Diversifiers	13.0%	11.0%	-2.0%

Current Model Characteristics

Number of holdings	13
Underlying fund charges (Excl fee) ³	0.48%
Last rebalance date	Nov-16
Current expected portfolio yield ³	0.82%
Classified 'Passive' investments	49.0%
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:

- 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 the 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.