

Cautious Income Portfolio

31st October 2017



INTELLIGENT INTUITIVE INVESTING

Investment Objective

The Cautious Income Portfolio targets an Income of 3.5% by diversifying across a broad range of assets with differing return and volatility profiles.

The portfolio after Income is expected to maintain real value after inflation while minimising the possibility of the investment falling in value. The Cautious

Income portfolio investment value will fluctuate in the short term, but we would not expect significant falls in value over a sustained period.

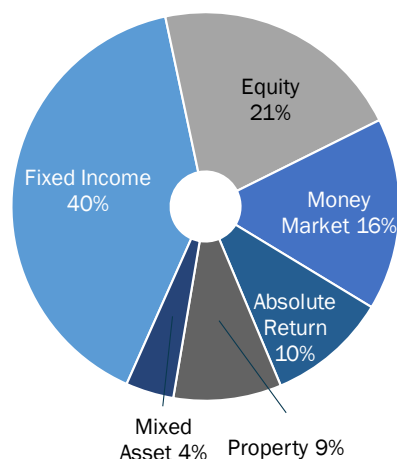
Market Comment

October was another good month for investors. Nearly all developed and emerging market Enhancer assets held within the portfolio provided positive performance. The US equity market, led primarily by technology continued to set new highs despite concerns about valuations.

For Anchor assets, returns were modest but generally positive, while for Diversifiers real estate struggled while commodities, and especially energy, added value. Overall the portfolio recovered modest losses from September and benefited from exposure across

many asset classes. Global growth remains positive but with valuation increases continuing to outpace economic fundamentals we continue with an underweight but positive risk allocation. No new funds or material asset allocation changes were implemented throughout October.

Key Objectives	Target	Actual ²	Performance (%) ¹	1 mth	3 mth	6 mth	YTD	1yr	S/I
Annualised Return ²	4.0-5.0%	5.8%	Rivers Cautious Income	0.65	0.51	1.27	3.56	3.32	7.86
Portfolio Volatility ²	7.0%	3.4%	IA Mixed 0%-35% Equity	0.88	0.78	1.92	4.15	4.17	8.85
Maximum Loss ²	6.0%	1.5%	IA Global Equity Income	2.29	2.43	5.51	8.87	10.25	22.85
Highest OCF ²	0.75%	0.72%							



Top 10 Holdings

Aviva Inv - Multi Strategy Target Income 2	10.0%
iShares - UK Gilts All Stocks Index (UK) D Inc	9.0%
Legg Mason - IF Western Asset Global Multi Strategy Bond X Inc	9.0%
Royal London - Cash Plus M Inc	8.0%
Muzinich - Enhancedyield Short Term A Hedged Inc GBP	8.0%
Schroder - Strategic Credit L Inc	8.0%
L&G - Dynamic Bond Trust I Inc	8.0%
Schroder - Mixed Distribution Z Inc	6.0%
Fidelity - Enhanced Income W Inc	6.0%
L&G - Emerging Markets Government Bond (US\$) Index I Inc	6.0%

Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	43.0%	60.0%	17.0%
Enhancers	40.0%	27.0%	-13.0%
Diversifiers	17.0%	13.0%	-4.0%

Current Model Characteristics

Number of holdings	16
Underlying fund charges (Excl fee) ³	0.58%
Last rebalance date	Mar-17
Current expected portfolio yield ³	3.80%
Classified 'Passive' investments	34.0%
Current loss since previous high ⁴	-0.15%

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 'Actual' data includes the highest ever OCF and loss and the annualised total return and volatility since inception on June 30, 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**

Disclaimer: Rivers Capital Management is an appointed representative of SCD & Co Ltd, which is authorised & regulated by the Financial Conduct Authority (FCA). Its registered offices are at 1 Berkeley Street, London W1J 8DJ United Kingdom. This factsheet is intended only for use by Financial Advisors and not for distribution to retail investors. This document does not constitute professional advice, or an offer, or a solicitation of an offer, to sell securities and no securities are to be offered or sold other than to persons whose ordinary activities

involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or otherwise in circumstances which have not resulted and will not result in an offer to the public within the meaning of the Financial Services and Markets Act 2000. The Model Portfolio is not suitable for all types of investor and investor accounts may only be attached to it by the instruction of a professional Financial Advisor. Past performance is not necessarily a guide to the future performance. Market and

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.