

Cautious Portfolio

30th November 2017



INTELLIGENT INTUITIVE INVESTING

Investment Objective

The Cautious Portfolio targets a return in excess of inflation by diversifying across a broad range of assets with differing return and volatility profiles.

The portfolio targets a return 3-4% above inflation while minimising the possibility of the investment falling in value. The Cautious portfolio investment

value may fluctuate in the short term, but we would not expect significant fluctuations in value over a sustained period.

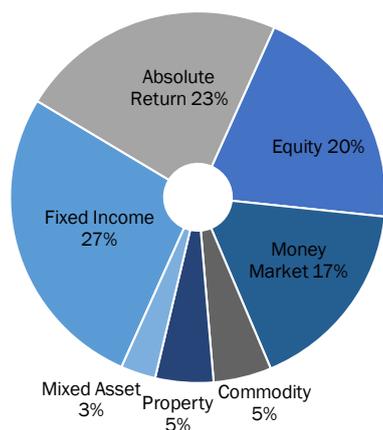
Market Comment

Considering we saw the first rise in UK interest rates in a decade and uncertainty over Brexit dominating the news November was an uneventful month for investors. Many equity indices recorded losses, especially in sterling terms, as investors consolidated recent gains, but the positive trend continued in Japan and

the US where gains were strong enough to offset any currency losses. Surprising many, Gilts gained value as expectations of further interest rate rises were diminished by the Bank of England. Overall the portfolio recorded a modest loss as sterling strength effected the position we hold in Enhancer assets. December

is often a positive month for investors, so we are hopeful of a positive end to a positive year. That said with valuations remaining high we remain defensively positioned going into what we expect to be a challenging 2018.

Key Objectives	Target	Actual ²	Performance (%) ¹	1 mth	3 mth	6 mth	YTD	1yr	S/I
Annualised Return ²	4.5-6.0%	9.9%	Rivers Cautious Portfolio	-0.19	0.74	2.03	5.40	6.98	14.29
Portfolio Volatility ²	7.0%	3.7%	IA Mixed 0%-35% Equity	-0.12	-0.11	0.50	4.03	5.61	8.73
Maximum Loss ²	6.0%	1.0%	FTSE Act. Gilts All Stocks	0.27	-2.04	-1.87	0.42	2.22	-0.77
Highest OCF ²	0.75%	0.71%							



Top 10 Holdings

Kames - Absolute Return Bond C Acc GBP	10.0%
Old Mutual - Global Equity Absolute Return R Hedged Acc GBP	10.0%
BlackRock - Cash D Acc	9.0%
TwentyFour - Monument Bond I Net Acc GBP	9.0%
Royal London - Cash Plus Y Acc	8.0%
iShares - UK Gilts All Stocks Index (UK) D Acc	7.0%
Vanguard - UK Inflation Linked Gilt Index A Gross Acc GBP	6.0%
Allianz - Best Styles Global AC Equity C Acc	5.0%
M&G - Strategic Corporate Bond I Acc GBP	5.0%
Investec - Global Energy I Acc GBP	5.0%

Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	43.0%	59.0%	16.0%
Enhancers	40.0%	25.0%	-15.0%
Diversifiers	17.0%	16.0%	-1.0%

Current Model Characteristics

Number of holdings	18
Underlying fund charges (Excl fee) ³	0.57%
Last rebalance date	Mar-17
Current expected portfolio yield ³	0.94%
Classified 'Passive' investments	40.0%
Current loss since previous high ⁴	0.1%

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**

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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.