

Cautious Income Portfolio

31st October 2018



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

The risk reduction implemented across portfolios in September did provide some protection but October still proved to be a challenging month for most investments. Both Developed and Emerging Market equities saw sharp falls as extended valuations, fears of slowing global growth and rising US interest

rates impacted confidence. Some protection came from Anchors and Diversifiers, with government bonds and Gold offering the only clearly positive returns for the month, but the sell off did affect most assets. With economic fundamentals remaining positive and valuations improved we took the opportunity, towards the

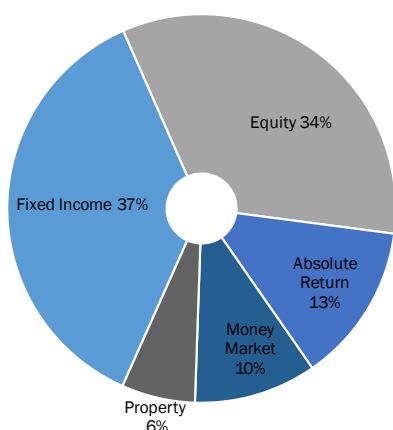
end of the month, to reduce the underweight risk position. While volatility is expected to be sustained the outlook towards the end of the year is positive.

Key Objectives	Target	Actual ²
Annualised Return ²	4.0-5.0%	3.0%
Portfolio Volatility ²	7.0%	3.3%
Maximum Loss ²	6.0%	2.3%
Highest OCF ²	0.75%	0.72%

Performance (%) ¹	1 mth	3 mth	6 mth	YTD	1yr	S/I
Rivers Cautious Income	-1.25	-1.87	-0.36	-0.91	-0.61	7.20
IA Mixed 0%-35% Equity	-1.65	-2.04	-1.00	-2.02	-1.36	7.37
IA Global Equity Income	-4.53	-4.07	1.26	-1.50	-0.14	22.67

Top 10 Holdings

Royal London - Cash Plus Y Inc	10.0%
Janus Henderson - Strategic Bond I Inc	8.0%
EdenTree - Amity Sterling Bond B	8.0%
Aviva Inv - Multi Strategy Target Income 2	8.0%
RWC - Enhanced Income B Dis GBP	7.0%
Fidelity - Enhanced Income W Inc	7.0%
HSBC - FTSE All World Index C Inc	7.0%
Kames - Property Income Feeder B Inc	6.0%
Allianz - Gilt Yield I Inc	5.0%
Artemis - Strategic Bond I Monthly Inc	5.0%



Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	43.0%	51.0%	8.0%
Enhancers	40.0%	35.0%	-5.0%
Diversifiers	17.0%	14.0%	-3.0%

Current Model Characteristics

Number of holdings	17
Underlying fund charges (Excl fee) ³	0.63%
Last rebalance date	Oct-18
Current expected portfolio yield ³	3.63%
Classified 'Passive' investments	25.0%
Current loss since previous high ⁴	-0.15%

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.

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



For further information or enquires, professional advisors please contact the investment team directly on **020 3383 0180** or by emailing **info@riverscm.com**

Disclaimer: Rivers Capital Management is authorised & regulated by the Financial Conduct Authority (FCA) Reference No. 801238. Its registered offices are at 27 Gloucester Place, W1U 8HU London, 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.