

# Balanced Portfolio

30<sup>th</sup> April 2019



INTELLIGENT INTUITIVE INVESTING

## Investment Objective

The Balanced Portfolio aims to achieve its objective by diversifying across a broad range of assets with differing return and volatility profiles. The portfolio targets long

term returns of 4-6% above cash at volatility levels considerably below those expected in equity. The typical investor seeks capital growth from their investment and is able

to accept a moderate level of risk for the potential of higher returns. They recognise that their capital is at risk and that its value may fluctuate.

## Market Comment

April was another positive month for investors as equities values continued to appreciate. European and US equities gained the most with Asian and Emerging Markets lagging but still positive. Anchor assets, particularly Gilts, lost some of their gains year to date but

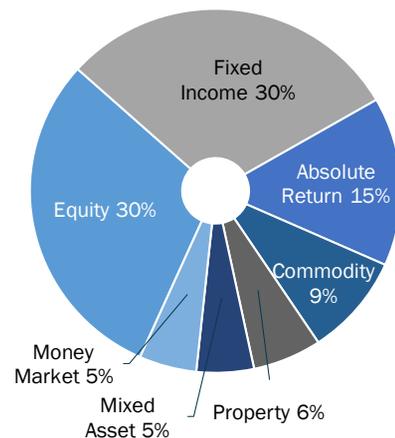
overall investment sentiment continued to be positive. Despite the defensive allocation across the portfolio returns were positive and look strong year to date. Looking forward we expect the high valuations in some sectors to be challenged particularly if corporate

earnings disappoint in the coming weeks. The portfolio is well positioned as we approach the summer.

Key Objectives	Target	Actual <sup>2</sup>	Performance (%) <sup>1</sup>	1 mth	3 mth	6 mth	YTD	1yr	S/I
Annualised Return <sup>2</sup>	5.2-6.7%	7.9%	<b>Rivers Balanced Portfolio</b>	<b>1.20</b>	<b>3.84</b>	<b>3.92</b>	<b>6.26</b>	<b>4.72</b>	<b>23.86</b>
Portfolio Volatility <sup>2</sup>	9.0%	5.0%	IA Mixed 20%-60% Equity	1.83	4.10	-0.70	6.89	2.86	16.73
Maximum Loss <sup>2</sup>	10.0%	-3.1%	IA Flexible Investment	2.91	5.73	-2.43	9.45	3.31	26.14
Highest OCF <sup>2</sup>	0.75%	0.73%							

## Top 10 Holdings

Merian - Global Equity Absolute Ret R Hedged Acc GBP	8.0%
Kames - Absolute Return Bond C Acc GBP	7.0%
TwentyFour - Monument Bond I Net Acc GBP	6.0%
Allianz - Best Styles Global AC Equity C Acc	6.0%
iShares - Global Property Securities Equity D Acc	6.0%
EdenTree - Amity Sterling Bond B	5.0%
Vanguard - UK Inflation-Linked Gilt A Gross Acc GBP	5.0%
Foresight UK Infrastructure Income Acc	5.0%
Newton - Real Return Inst W Acc	5.0%
Fidelity - Index Europe ex UK P Acc	5.0%



Asset Type	Strategic Weight	Current Weight	Tactical Position
Cash	0.0%	0.0%	0.0%
Anchors	27.0%	40.0%	13.0%
Enhancers	55.0%	35.0%	-20.0%
Diversifiers	18.0%	25.0%	7.0%

## Current Model Characteristics

Number of holdings	21
Underlying fund charges (Excl fee) <sup>3</sup>	0.52%
Last rebalance date	Feb-19
Current expected portfolio yield <sup>3</sup>	1.61%
Classified 'Passive' investments	41.0%
Current loss since previous high <sup>4</sup>	-

### 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**

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