

# Preservation Portfolio

30<sup>th</sup> April 2019



## 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.

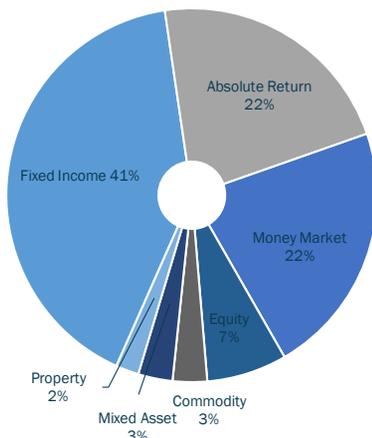
## Market Comment

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>	3.0-4.0%	3.4%	<b>Rivers Preservation</b>	-0.01	1.28	0.96	2.06	0.75	9.90
Portfolio Volatility <sup>2</sup>	4.5%	2.4%	IA Money Market	0.07	0.20	0.36	0.27	0.61	0.98
Maximum Loss <sup>2</sup>	5.0%	-1.7%	IA Mixed 0%-35% Equity	0.96	2.78	0.50	4.60	2.41	10.78
Highest OCF <sup>2</sup>	0.75%	0.66%							



## Top 10 Holdings

Kames - Absolute Return Bond C Acc GBP	12.0%
Aberdeen - Sterling Money Market I Acc	10.0%
Royal London - Cash Plus Y Acc	10.0%
Merian - Global Equity Absolute Ret R Hedged Acc GBP	10.0%
Artemis - Strategic Bond I Monthly Acc	9.0%
TwentyFour - Monument Bond I Net Acc GBP	9.0%
iShares - UK Gilts All Stocks Index (UK) D Acc	7.0%
EdenTree - Amity Sterling Bond B	7.0%
Vanguard - UK Inflation-Linked Gilt A Gross Acc GBP	7.0%
Allianz - Best Styles Global AC Equity C Acc	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%

## Current Model Characteristics

Number of holdings	15
Underlying fund charges (Excl fee) <sup>3</sup>	0.47%
Last rebalance date	Feb-19
Current expected portfolio yield <sup>3</sup>	1.33%
Classified 'Passive' investments	47.0%
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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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.