

Balanced ESG Portfolio

31st August 2020



INTELLIGENT INTUITIVE INVESTING

Investment Objective

The Rivers ESG Balanced Portfolio targets long term capital growth in real terms and after fees. The portfolio invests only in solutions which pass strict criteria of Environmental, Social and Governance (ESG) requirements. The portfolio will be moderately exposed to global equity market cycles. 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.

Market Comment

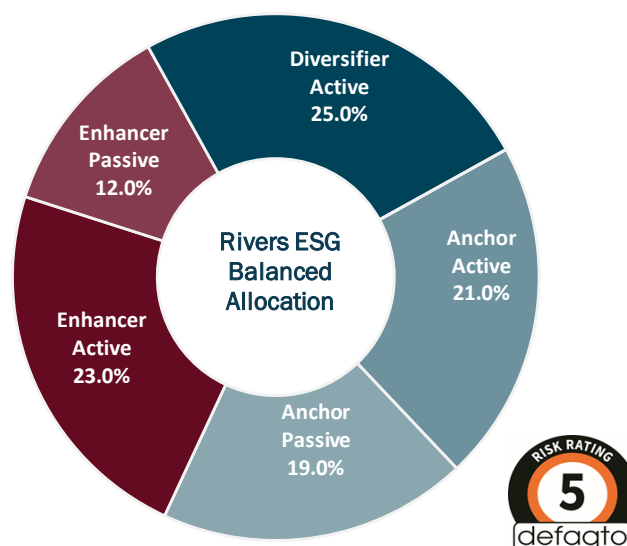
The technology led equity rally continued throughout August. While the portfolio remains underweight equities, returns were positive overall for the month. The biggest return contribution came once again from Enhancers, in particular our US equity exposure. Anchors saw a reversal in Inflation linked and Gilt valuations but this was offset by a positive month for absolute return assets. Within Diversifiers, Gold, having reached an all-time high during the month, lost value overall. This was the first negative month for the commodity since April and happened despite continued US Dollar weakness. Looking forward we expect volatility to increase and the concentrated equity market rally to slow as valuations continue to be extended.

Model Characteristics	Target	Current
Annualised Return ¹	5.2-6.7%	5.0%
Portfolio Volatility ²	<9.0%	7.2%
Maximum Loss ³	<10.0%	-9.6%
Ongoing charge of underlying ⁴	<0.75%	0.64%
Number of holdings	<25	15
Last rebalance date	-	Mar-20
Current expected portfolio yield ⁵	-	1.75%
Classified 'Passive' investments ⁶	40%	31.0%
Since Inception Total Return	30-Jun-17	18.20%

Allocation	Strategic	Current	Tactical
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%

Performance (%) ¹	1m	3m	YTD	1yr	3yr
Rivers ESG Balanced	0.71	3.62	3.18	3.46	7.52
IA Mixed 20%-60% Shares	1.27	3.13	-2.45	-0.07	8.50

Quarterly	Q1	Q2	Q3	Q4	Total
2016	-	-	-	-	-
2017	-	-	0.86%	2.56%	3.44%
2018	-2.71%	2.81%	1.52%	-4.65%	-3.18%
2019	5.75%	4.26%	2.62%	0.27%	13.44%
2020	-8.77%	11.30%	-	-	1.53%



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

Top 10 Holdings

Royal London - Enhanced Cash Plus Y Acc	Anchor Passive	9.0%
EdenTree - Amity Sterling Bond B	Anchor Active	8.0%
Muzinich - BondYield ESG S Inc GBP	Anchor Active	8.0%
Vanguard - UK Infl-Linked Gilt A Gr Acc GBP	Anchor Passive	8.0%
Newton - Real Return Inst W Acc	Diversifier Active	7.0%
Rathbone - Ethical Bond Inst Acc	Enhancer Active	7.0%
Vanguard - SRI European Stock Acc GBP	Enhancer Passive	6.0%
UBS - MSCI UK IMI Socially Respon ETF Dis	Enhancer Passive	6.0%
BMO - Responsible Global Equity 2 Acc	Enhancer Active	6.0%
Kames - Global Sustainable Equity B Acc GBP	Enhancer Active	6.0%

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 and annualised since inception (March 31st 2017)
- Volatility is calculated as the annualised average weekly standard deviation of return since inception (March 31st 2017)
- The maximum loss is calculated as the total loss from the highest previous month end portfolio value. Intra month or daily data may exceed this.
- The ongoing charge is based on the current portfolio weightings using the latest available OCF data of each fund.
- The yield is the average yield as published by each fund and not guaranteed
- Rivers investment committee determines a Passive allocation target (20-60%) dependant on the perceived market opportunity
- Relative risk level determined between 1 and 7 within the tactical constraints of all models with a level 4 considered tactically neutral



Please contact Rivers 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.