Balanced Portfolio

28th February 2021

RIVERS CAPITAL MANAGEMENT

INTELLIGENT INTUITIVE INVESTING

Investment Objective

The Rivers Balanced Portfolio targets moderate long term returns above inflation, and after fees, at volatility levels considerably below those expected in equities. The portfolio aims to achieve its objective by maximising diversification across a range of assets. The portfolio will be moderately exposed to global equity market cycles. The typical investor seeks capital growth from their investment and can accept a moderate level of risk for the potential of higher returns.

Market Comment

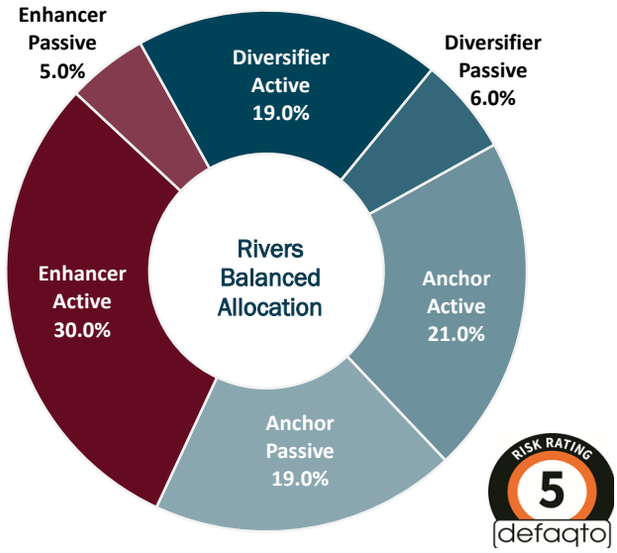
Asset price volatility continued in February as inflation concerns met rising confidence and positive vaccine news. Anchor assets suffered as interest rates for Gilts increased significantly. Among 'Diversifiers', commodity and property prices rose significantly but unusually this did not translate into gold prices, which had their largest price decline since the pandemic started. For 'Enhancers', UK and Emerging Market equities added value but Sterling strength more than offset the returns from other developed market equities. In the middle of the month, the portfolio was rebalanced decreasing overall US equity exposure but maintaining the overall underweight 'Enhancer' allocation. We believe risk remains elevated and await more favourable opportunities to add risk.

Performance (%)[1]	1m	3m	YTD	1yr	3yr
Rivers Balanced Portfolio	-0.58	0.33	-1.26	10.98	19.62
IA Mixed 20%-60% Shares	-0.06	1.51	-0.42	6.51	10.97

Quarterly	Q1	Q2	Q3	Q4	Total
2016	-	-	7.30%	2.58%	10.07%
2017	3.56%	0.00%	1.57%	2.55%	7.87%
2018	-2.26%	3.39%	1.50%	-4.29%	-1.83%
2019	5.00%	3.45%	2.21%	0.14%	11.17%
2020	-9.59%	13.81%	1.89%	4.82%	9.90%

Model Characteristics	Target	Current
Annualised Return[1]	5.2-6.7%	7.6%
Portfolio Volatility[2]	<9.0%	7.1%
Maximum Loss[3]	<10.0%	-10.4%
Ongoing charge of underlying[4]	<0.75%	0.59%
Number of holdings	<25	18
Last rebalance date	-	Feb-21
Current expected portfolio yield[5]	-	1.19%
Classified 'Passive' investments[6]	40%	30.0%
Since Inception Total Return	-	40.61%%

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%**



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

Vanguard - UK Infltn-Lnkd Gilt A Grs Acc GBP	Anchor Passive	9.0%
Royal London - Cash Plus Y Acc	Anchor Passive	8.0%
Vermeer - Global Equity C	Enhancer Active	7.0%
TwentyFour - Monument Bond I Net Acc GBP	Anchor Active	6.0%
Slater - Growth P Acc	Enhancer Active	6.0%
Robeco - SAM Smart Materials Eq Acc GBP	Diversifier Active	6.0%
WisdomTree - Physical Gold GBP	Diversifier Passive	6.0%
Nomura - Global Dynamic Bond I Hedged GBP	Anchor Active	5.0%
EdenTree - Amity Sterling Bond B	Anchor Active	5.0%
Aegon - Global Equity Mkts Neutral C Acc GBP	Anchor Active	5.0%

Notes:
1. 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 (June 30th 2016)
2. Volatility is caculated as the annualised average weekly standard deviation of return since inception (June 30th 2016)
3. 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.
4. The ongoing charge is based on the current portfolio weightings using the latest available OCF data of each fund.
5. The yield is the average yield as published by each fund and not guareenteed
6. Rivers investment committee determines a Passive allocation target (20-60%) dependant on the percieved market opportunity
7. Relative risk level determined between 1 and 7 within the tactical contraints of all models with a level 4 considered tactically neutral

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Please contact Rivers directly on **020 3383 0180** or by emailing **info@riverscm.com**

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