

Cautious Income Portfolio

31st May 2021



INTELLIGENT INTUITIVE INVESTING

Investment Objective

The Rivers Cautious Income Portfolio targets income of 3.5% by diversifying across a broad range of assets with differing return and volatility profiles. The portfolio is expected to maintain real value, net of income, after inflation while minimising the possibility of the investment

falling in value. The portfolio may be somewhat exposed to global equity and interest rate market cycles. The portfolio's investment value will fluctuate in the short term, but we would not expect significant falls in value over a sustained period.

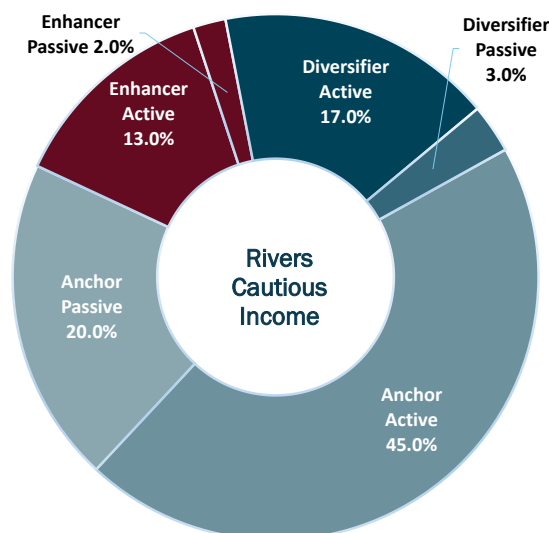
Market Comment

Markets in May were interesting due to their increased volatility which did not appear to have any particular direction. Fears over inflation were confirmed as nearly all relevant inflationary measures exceeded expectations. This only temporarily appeared to concern investors as Central Banks from the US to Europe continued to suggest the inflationary pressures were transitory and would fade naturally. Meanwhile, almost all economic

activity measures pointed to strong, if not excessive growth, high levels of investment and a potentially perfect recovery. The question remains, with the recovery so universally strong how Central Banks can continue to justify such unprecedented support and what happens when they reverse it? We remain cautiously awaiting the outcome.

Model Characteristics	Target	Current
Annualised Return ¹	4.0-5.0%	3.5%
Portfolio Volatility ²	<7.0%	6.5%
Maximum Loss ³	<6.0%	-12.2%
Ongoing charge of underlying ⁴	<0.75%	0.54%
Number of holdings	<25	16
Last rebalance date	-	Apr-21
Current expected portfolio yield ⁵	-	3.67%
Classified 'Passive' investments ⁶	N/A	25.0%
Since Inception Total Return	-	18.31%

Allocation	Strategic	Current	Tactical
Anchors	70.0%	90.0%	20.0%
Enhancers	17.0%	0.0%	-17.0%
Diversifiers	13.0%	10.0%	-3.0%



Performance (%) ¹	1m	3m	YTD	1yr	3yr
Rivers Cautious Income	0.40	2.44	1.16	9.09	9.26
IA Mixed 0%-35% Equity	0.22	2.25	0.84	7.21	10.48

Quarterly	Q1	Q2	Q3	Q4	Total
2017	2.36%	0.34%	0.17%	0.96%	3.87%
2018	-2.30%	2.30%	0.40%	-3.50%	-3.16%
2019	4.42%	2.51%	1.53%	1.03%	9.82%
2020	-12.17%	9.14%	0.73%	5.06%	1.43%
2021	-0.42%	-	-	-	-0.42%

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 - Cash Plus Y Inc	Anchor Passive	10.0%
Aviva Inv - Multi Strategy Target Income 2	Anchor Active	10.0%
Artemis - Strategic Bond I Monthly Inc	Anchor Active	8.0%
Vanguard - UK Infl-Linked Gilt A Gross Inc GBP	Anchor Passive	8.0%
Templeton - Global Total Return Bond W Inc	Anchor Active	7.0%
Janus Henderson - Strategic Bond I Inc	Anchor Active	7.0%
EdenTree - Amity Sterling Bond B	Anchor Active	7.0%
Foresight UK Infrastructure Income Inc	Diversifier Active	7.0%
L&G - Dynamic Bond I Inc	Anchor Active	6.0%
Schroder - Mixed Distribution Z Inc	Enhancer Active	5.0%

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 (June 30th 2016)
- Volatility is calculated as the annualised average weekly standard deviation of return since inception (June 30th 2016)
- 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.