

# Balanced ESG Portfolio

30<sup>th</sup> November 2021



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

Market risk rose during November as fears regarding the new Covid variant impacted global investment assets. Most Enhancer assets finished the month lower despite gaining from falling interest rate expectations early in the month. Anchor assets generally benefited from the fall in interest rates and were less effected by Covid fears. With some Diversifier assets also positive the portfolio continued modest but positive performance.

During the month the portfolio was rebalanced to lower interest rate exposure, although no equity risk was added. Looking forward the portfolio is defensively positioned and on track to achieve target returns by year end.

Performance (%) <sup>1</sup>	1m	3m	YTD	1yr	3yr
Rivers ESG Balanced	0.73	0.23	7.77	10.02	34.74
IA Mixed 20%-60% Shares	-0.01	-0.71	5.87	7.94	19.54

Quarterly	Q1	Q2	Q3	Q4	Total
2017	-	-	0.9%	2.6%	3.4%
2018	-2.7%	2.8%	1.5%	-4.6%	-3.1%
2019	5.7%	4.3%	2.8%	0.4%	13.7%
2020	-10.4%	14.0%	3.5%	6.4%	12.5%
2021	-0.1%	4.3%	1.1%	-	

## 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.

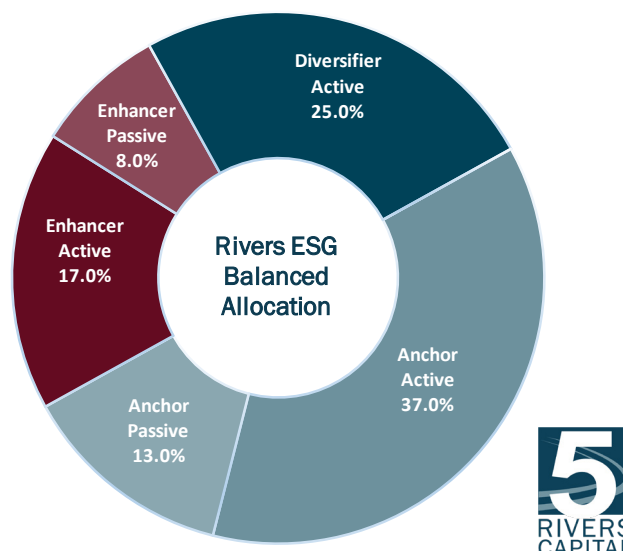
For a more detailed explanation please contact Rivers Capital Management

### 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% Rivers Capital Management fee and annualised since inception (March 31<sup>st</sup> 2017)
- Volatility is calculated as the annualised average weekly standard deviation of return since inception (March 31<sup>st</sup> 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

Model Characteristics	Target	Current
Annualised Return <sup>1</sup>	5.2-6.7%	7.4%
Portfolio Volatility <sup>2</sup>	<9.0%	7.6%
Maximum Loss <sup>3</sup>	<10.0%	-11.3%
Ongoing charge of underlying <sup>4</sup>	<0.75%	0.66%
Number of holdings	<25	16
Last rebalance date	-	Nov-21
Current expected portfolio yield <sup>5</sup>	-	1.27%
Classified 'Passive' investments <sup>6</sup>	30%	21.0%
Since Inception Total Return	30-Jun-17	39.3%

Allocation	Strategic	Current	Tactical
Anchors	27.0%	50.0%	23.0%
Enhancers	55.0%	25.0%	-30.0%
Diversifiers	18.0%	25.0%	7.0%



## Top 10 Holdings

TM Fulcrum - Divrsfd Core Abs Ret C Acc GBP	Anchor Active	10.0%
Liontrust - Sust Future Defensive Managed Inc	Anchor Active	10.0%
EdenTree - Amity Sterling Bond B	Anchor Active	9.0%
JPM - Global Macro Opportunities C Acc	Anchor Active	8.0%
Royal London - Sust Diversified Trust C Acc	Diversifier Active	7.0%
VT - Gravis Clean Energy Income C Acc GBP	Diversifier Active	7.0%
Royal London - Short Term Money Mkt Y Acc	Anchor Passive	6.0%
Rathbone - Ethical Bond Inst Acc	Enhancer Active	6.0%
Schroder - Global Cities Real Estate Z Acc	Diversifier Active	6.0%
Vanguard - UK Infla-Linked Gilt A Gr Acc GBP	Anchor Passive	5.0%



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

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