

Cautious Portfolio

31st December 2021



INTELLIGENT INTUITIVE INVESTING

Investment Objective

The Rivers Cautious Portfolio targets modest long term returns above inflation, and after fees, at controlled volatility levels. The portfolio aims to achieve its objective by diversifying across a broad range of assets with moderate return and lower volatility profiles. The portfolio may be somewhat exposed to global equity and interest rate market cycles. The typical investor seeks modest capital growth but must accept that the portfolio's investment value may fluctuate in the short term.

Market Comment

Despite the Omicron variant and rising inflationary fears equities finished 2021 with a positive December. Enhancer assets experienced a poor start to the month but finished dramatically over the holiday period, particularly in the UK and Europe. Anchor assets struggled as Central Banks finally appeared to accept the threat of inflation being more than transitory. The Bank of England was the first major Central Bank to raise rates but expectations of further increases have not yet affected positive equity sentiment. The portfolio finished the year within its target return range but below the benchmark as we continue to take a defensive tactical allocation. In 2022 we expect to see heightened volatility across asset classes as macro fundamentals play out.

Performance (%) ¹	1m	3m	YTD	1yr	3yr	5yr
Rivers Cautious	0.23	1.36	4.03	4.03	22.14	27.18
IA Mixed 0%-35% Shs	0.48	0.99	2.84	2.84	16.14	17.69

Quarterly	Q1	Q2	Q3	Q4	Total
2016	-	-	5.97%	2.33%	8.44%
2017	2.73%	-0.03%	1.58%	1.75%	6.14%
2018	-1.56%	1.97%	1.18%	-3.42%	-1.90%
2019	3.76%	3.13%	2.17%	-0.58%	8.69%
2020	-6.54%	10.48%	1.24%	3.33%	8.02%
2021	-0.62%	2.41%	0.84%	1.36%	4.03%

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 (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**

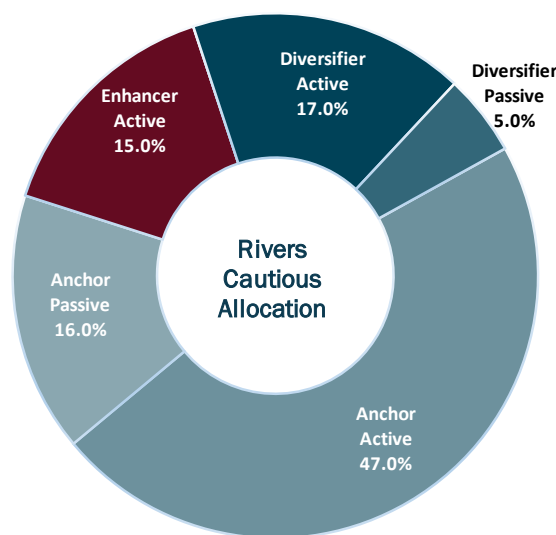
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involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or otherwise in circumstances which have not resulted and will not result in an offer to the public within the meaning of the Financial Services and Markets Act 2000. The Model Portfolio is not suitable for all types of investor and investor accounts may only be attached to it by the instruction of a professional Financial Advisor. Past performance is not necessarily a guide to the future performance. Market and

currency movements 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.

Model Characteristics	Target	Current
Annualised Return ¹	4.5-6.0%	6.0%
Portfolio Volatility ²	<7.0%	5.1%
Maximum Loss ³	<6.0%	-7.7%
Ongoing charge of underlying ⁴	<0.75%	0.58%
Number of holdings	<25	17
Last rebalance date	-	Nov-21
Current expected portfolio yield ⁵	-	1.06%
Classified 'Passive' investments ⁶	30%	21.0%
Since Inception Total Return	-	37.95%

Allocation	Strategic	Current	Tactical
Anchors	43.0%	63.0%	20.0%
Enhancers	40.0%	15.0%	-25.0%
Diversifiers	17.0%	22.0%	5.0%



Top 10 Holdings

TwentyFour - Monument Bond I Net Acc GBP	Anchor Active	9.0%
Nomura - Global Dynamic Bond I Hedged GBP	Anchor Active	9.0%
Royal London - Short Term Money Mkt Y Acc	Anchor Passive	8.0%
Aegon - Absolute Return Bond C Acc GBP	Anchor Active	8.0%
TM Fulcrum - Dvrsfd Liq Alternatives F Acc	Anchor Active	8.0%
JPM - Global Macro Opportunities C Acc	Anchor Active	8.0%
Vanguard - UK Inflt-Lnkd Gilt A Grs Acc GBP	Anchor Passive	6.0%
VT - RM Alternative Income F Acc GBP	Diversifier Active	6.0%
VT - Gravis Clean Energy Income C Acc GBP	Diversifier Active	6.0%
EdenTree - Amity Sterling Bond B	Anchor Active	5.0%

