Balanced Portfolio

31st October 2022

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

Despite the political headlines, and continued volatility, October was positive for most funds within the portfolio. After a difficult September, which continued into the first half of October, both bonds and equites added value in the second half of the month. Within Anchors, Government bond (Gilts) added value as interest rates reversed some of the increase seen in September. Within Enhancers the UK and other developed market equities performed best while emerging markets struggled. Within Diversifiers, Gold continued to struggle but real assets, insurance and energy funds all performed well. In the third week of October the portfolio was rebalanced from underweight to neutral risk. The rebalance increased the Enhancer allocation and decreased the Anchor allocation. Within each asset type changes were made to reflect a cautious but optimistic outlook.

Performance (%)[1]	1m	3m	YTD	1yr	3yr	5yr
Rivers Balanced	0.9	-2.5	-7.9	-7.2	8.4	17.6
IA Mixed 20-60% Shares	0.6	-4.9	-11.6	-10.5	0.5	5.0
IA Flexible Investment	0.1	-4.0	-11.1	-9.9	9.6	15.1

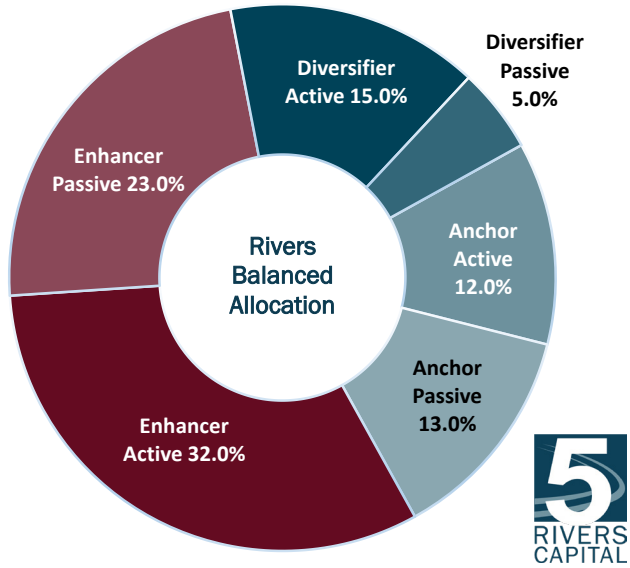
Quarterly	Q1	Q2	Q3	Q4	Total
2016	-	-	7.3%	2.6%	10.1%
2017	-	-	1.6%	2.6%	4.2%
2018	-2.3%	3.4%	1.5%	-4.3%	-1.8%
2019	5.0%	3.4%	2.2%	0.1%	11.2%
2020	-9.6%	13.8%	1.9%	4.8%	9.9%
2021	-0.2%	3.3%	0.6%	1.8%	5.6%
2022	-1.7%	-6.4%	-0.8%	-	

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

Model Characteristics	Target	Current
Annualised Return[1]	5.2-6.7%	5.3%
Portfolio Volatility[2]	<9.0%	7.1%
Maximum Loss[3]	<10.0%	-10.4%
Ongoing charge of underlying[4]	<0.75%	0.54%
Number of holdings	<25	21
Last rebalance date	-	Oct-22
Current expected portfolio yield[5]	-	1.25%
Classified 'Passive' investments[6]	20%	41.0%
Since Inception Total Return	-	38.50%

Allocation	Strategic	Current	Tactical
Anchors	27.0%	25.0%	-2.0%
Enhancers	55.0%	55.0%	0.0%
Diversifiers	18.0%	20.0%	2.0%



Top 10 Holdings

TM Fulcrum - Diversified Liquid Alter F Acc	Anchor Active	7.0%
ishares III PLC UK Gilts 0-5YR ETF GBP Dist	Anchor Passive	6.0%
HSBC - FTSE 100 Index C Acc	Enhancer Passive	6.0%
Vermeer - Global Equity C	Enhancer Active	6.0%
Cohen & Steers - Diver Real Assets Hdged Acc	Diversifier Active	6.0%
TwentyFour - Monument Bond I Net Acc GBP	Anchor Active	5.0%
iShares - UK Gilts All Stocks Index (UK) D Acc	Anchor Passive	5.0%
Fidelity - Index World P	Enhancer Passive	5.0%
Lazard - Thematic Inflatn Oppor EA Acc GBP	Enhancer Active	5.0%
Baillie Gifford - Emerging Markets Growth	Enhancer 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% Rivers Capital Management fee and annualised since inception (June 30th 2016).
2. Volatility is calculated 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 guaranteed.
6. Rivers investment committee determines a Passive allocation target (20-60%) dependant on the perceived market opportunity.
7. 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**