

# Balanced ESG Portfolio

28<sup>th</sup> February 2023



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

During February much of the investor enthusiasm seen during January waned. The narrative of falling inflation and a possible interest rate reversal was challenged. While some equities, mainly in Europe and the UK, saw gains the Global benchmark was down overall. Economic indicators remained robust and expectations of recession in the UK, and US, decreased. Within Anchors the increased allocation to money market funds protected the portfolio from rising longer term rates. Within Enhancers the best performing region was the UK and Europe while US, Japanese and Emerging Markets all struggled. Diversifiers overall also lost some value with Gold, Energy and Real Assets down over the month. The portfolio remains modestly underweight risk reflecting our objective of protecting capital but continuing to add opportunity from tactical adjustment.

Performance (%) <sup>1</sup>		1m	3m	YTD	1yr	3yr	5yr
Rivers ESG Balanced	-0.5	1.6	3.4	-1.3	14.8	26.4	
IA Mixed 20-60% Shares	-0.8	1.2	2.2	-2.9	6.1	10.5	
IA Flexible Investment	-0.6	1.6	2.8	-0.1	17.1	21.0	

Quarterly	Q1	Q2	Q3	Q4	Total
2017	-	0.8%	0.9%	2.6%	4.3%
2018	-2.7%	2.8%	1.5%	-4.6%	-3.2%
2019	5.8%	4.3%	2.6%	0.3%	13.4%
2020	-8.8%	11.4%	2.5%	4.7%	9.1%
2021	-0.8%	3.5%	0.9%	2.3%	6.1%
2022	-3.8%	-7.0%	-2.2%	3.0%	-9.9%

## 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:

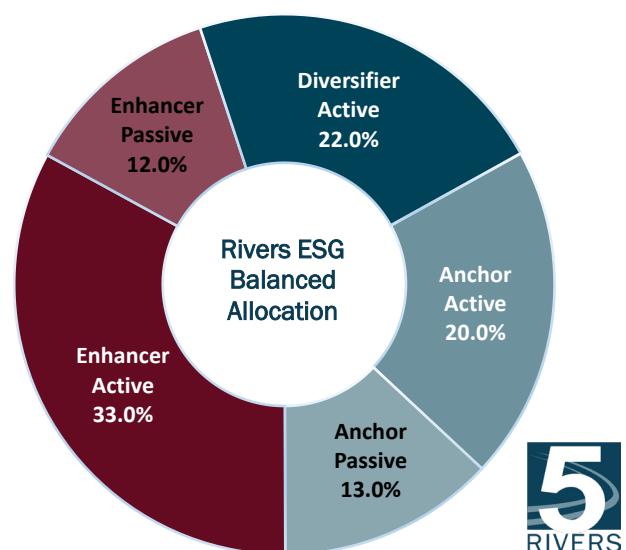
1. The performance data shown is indicative only. Rivers Capital Management attempts to replicate accurately the performance of the underlying portfolio using Financial Express data but performances will likely differ from individual accounts due to inflows and timing issues. The performance is net of a 0.25% Rivers Capital Management fee and annualised since inception (March 31<sup>st</sup> 2017).
2. Volatility is calculated as the annualised average weekly standard deviation of return since inception (March 31<sup>st</sup> 2017).
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](mailto:info@riverscm.com)

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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.



## Top 10 Holdings

Royal London - Short Term Money Mkt Y Acc	Anchor Passive	11.0%
TM Fulcrum - Diversified Core Abs Ret C Acc	Anchor Active	8.0%
Vanguard - SRI European Stock Acc GBP	Enhancer Passive	8.0%
EdenTree - Amity Sterling Bond B	Anchor Active	7.0%
Vontobel - Sust Emerg Mkts Leaders N	Enhancer Active	7.0%
Ninety One - Global Environment I	Enhancer Active	6.0%
Rathbone - Ethical Bond Inst Acc	Enhancer Active	6.0%
Royal London - Sust Divfd Trust C Acc	Diversifier Active	6.0%
Robeco - SAM Sustainable Water Eq G EUR	Diversifier Active	6.0%
Aegon - Absolute Return Bond C Acc GBP	Anchor Active	5.0%