

Cautious Portfolio

31st December 2024



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

2024 was positive for the portfolio overall but December was negative as many allocations lost value towards the end of the year. Looking back at the year the underweight equity allocation, particularly to US technology stocks, has been a relative drag on performance. While it is tempting to reverse this position as these stocks advance, we think that would be a mistake. The high valuations are increasingly a concern, and the risk of a correction is high. For much of 2024, the combination of diversifying assets has provided positive returns although during December Gold, Energy, and Insurance all lost value. We expect these losses to be reversed, but the result was disappointing with benchmark interest rates also increasing, affecting the Anchor allocation. Looking forward to 2025 we expect a challenging investment environment but for there to be opportunities to add risk at better valuations.

Performance (%) ¹	1m	3m	YTD	1yr	3yr	5yr
Rivers Cautious	-1.81	-0.54	5.33	5.33	8.00	21.97
IA Mixed 0-35% Shrs	-0.94	-0.22	4.42	4.42	-1.37	5.38
FTSE UK All Gilts	-2.21	-3.10	-3.32	-3.32	-23.65	-21.60

Quarterly	Q1	Q2	Q3	Q4	Total
2018	-1.6%	2.0%	1.2%	-3.4%	-1.9%
2019	3.8%	3.1%	2.2%	-0.6%	8.7%
2020	-6.5%	10.5%	1.2%	3.3%	8.0%
2021	-0.6%	2.4%	0.8%	1.4%	4.0%
2022	-1.6%	-5.5%	-1.0%	3.0%	-5.2%
2023	1.5%	0.1%	1.8%	3.1%	6.7%
2024	3.8%	1.0%	0.6%	-0.3%	5.1%

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 composite fund 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

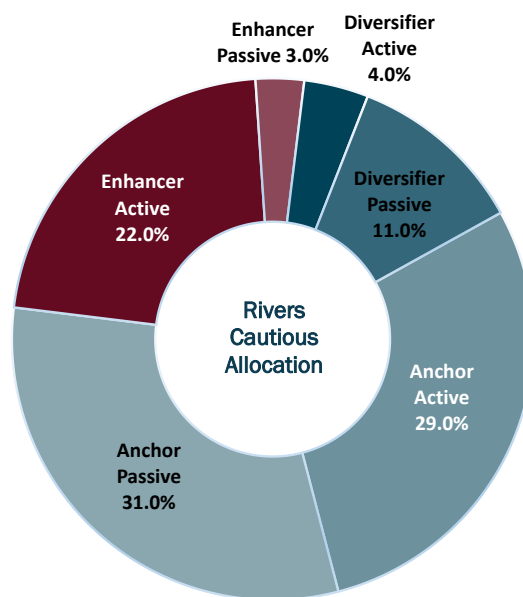
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involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or otherwise in circumstances which have not resulted and will not result in an offer to the public within the meaning 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%	5.0%
Portfolio Volatility ²	<7.0%	5.3%
Maximum Loss ³	<6.0%	-7.6%
Ongoing charge of underlying ⁴	<0.75%	0.51%
Number of holdings	<25	19
Last rebalance date	-	Aug-24
Current expected portfolio yield ⁵	-	2.24%
Classified 'Passive' investments ⁶	40%	45.0%
Since Inception Total Return		51.05%

Allocation	Strategic	Current	Tactical
Anchors	43.0%	60.0%	17.0%
Enhancers	40.0%	25.0%	-15.0%
Diversifiers	17.0%	15.0%	-2.0%



Top 10 Holdings

Royal London - Short Term Money Market Y Acc Anchor Passive	12.0%
TwentyFour - Monument Bond I Net Acc Anchor Active	10.0%
iShares - UK Gilts All Stocks Index (UK) D Acc Anchor Passive	9.0%
Vanguard - UK Inflation-Lnkd Gilt Index Acc Anchor Passive	8.0%
Janus Henderson - Strategic Bond I Acc Anchor Active	7.0%
Jupiter - Merian Global Equity Abs Ret Hgd Acc Anchor Active	6.0%
Vontobel - TwentyFour Absolute Return Credit N Anchor Active	6.0%
VT - De Lisle America B Enhancer Active	4.0%
Brown Advisory - Global Leaders B Acc GBP Enhancer Active	4.0%
Vermeer - Global Equity C Enhancer Active	4.0%