

# Rivers Balanced Income Portfolio

31<sup>st</sup> May 2025

## Investment Objective

The Rivers Balanced Income Portfolio targets an income of 4.0% by diversifying across a broad range of assets. The portfolio is expected to maintain real value, net of income, after inflation while minimising the possibility of the investment falling in value. The typical investor seeks consistent income from their investment but is able to accept a moderate level of risk for the potential of higher income. They recognise that their capital is at risk and that its value may fluctuate.

## Market Comment

Investment returns were broadly positive in May despite ongoing uncertainty around US tariffs and government deficits. Benchmark interest rates rose during the month, weighing on bond market values, but these losses were offset by strong equity returns and gains in other asset classes. The Anchor allocation was positive as the short duration allocation reduced losses from rising bond yields and the Absolute Return fund added value. Within Diversifiers all allocations including Real Estate, Infrastructure and Insurance added value. The Enhancer allocation added the most value with all regions, including Emerging Markets, adding value. Looking ahead, market dislocations are expected to offer opportunities to adjust exposures in the future, but for now a neutral allocation remains appropriate.

Performance (%) <sup>1</sup>	1m	3m	YTD	1yr	3yr	5yr
Rivers Balanced Inc	2.30	2.32	4.64	8.35	10.6	26.0
IA Mixed 20-60% Eqty	2.06	-0.32	1.80	5.24	10.6	22.5

Quarterly	Q1	Q2	Q3	Q4	Total
2019	4.7%	3.2%	1.7%	1.5%	11.6%
2020	-14.0%	10.8%	1.0%	6.7%	2.7%
2021	0.2%	3.1%	0.8%	1.7%	5.9%
2022	-1.1%	-5.6%	-3.5%	3.7%	-6.5%
2023	1.2%	-1.1%	-0.2%	3.8%	3.6%
2024	2.4%	0.9%	3.4%	-0.2%	6.5%
2025	1.3%				4.6%

### 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 (30/06/2016).
- Volatility is calculated as the annualised average weekly standard deviation of return since inception (30/06/2016).
- 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](mailto:info@riverscm.com)

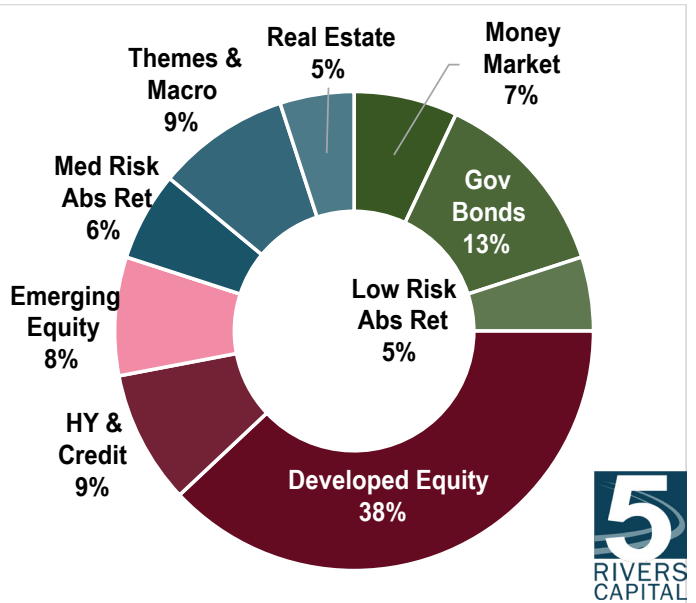
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involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses, or otherwise in circumstances which have not resulted and will not result in an offer to the public within the meaning 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



Model Characteristics	Target	Current
Annualised Return <sup>1</sup>	5-7%	4.3%
Portfolio Volatility <sup>2</sup>	<9%	6.8%
Maximum Loss <sup>3</sup>	<10%	-14.0%
Ongoing charge of underlying <sup>4</sup>	<0.70%	0.61%
Number of holdings	<25	16
Last rebalance date		8 <sup>th</sup> April 2025
Current expected portfolio yield <sup>5</sup>	>4.0%	4.05%
Classified 'Passive' investments <sup>6</sup>	40.0%	9.0%
Since Inception Total Return		45.5%

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		
BNY Mellon - Global Income Inst W Inc	Enhancer Active	9.0%
Vanguard - Global Equity Income Acc	Enhancer Active	9.0%
JPM - Emerging Markets Income C Inc	Enhancer Active	8.0%
Artemis - Strategic Bond I Monthly Inc	Anchor Active	7.0%
Fidelity - Moneybuilder Dividend W Inc	Enhancer Active	7.0%
HSBC - FTSE All Share Index C Inc	Enhancer Passive	7.0%
BNY Mellon - Real Return Inst W Inc	Diversifier Active	6.0%
Schroder - Monthly Income Z Inc	Enhancer Active	6.0%
TwentyFour - Monument Bond I Net Inc	Anchor Active	6.0%
Aegon - Absolute Return Bond C Acc	Anchor Active	5.0%

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.