RICHMOND HOUSE
INVESTMENT MANAGEMENT

RHIM CAUTIOUS MODEL FACTSHEET

The RHIM Cautious model aims to deliver capital growth over the medium term, with lower volatility than the sector average using collective investment schemes (funds). Asset allocation will be actively managed whilst maintaining a cautious risk profile. This is a multi-asset portfolio which may invest between 25% and 45% in traditional equity funds which will include UK and overseas equities. The remainder will be invested in lower risk funds such as targeted absolute return funds and at least 35% across fixed income and property. The model is also permitted to hold up to 10% in cash when deemed appropriate. In order to deliver returns in excess of cash over the longer term investors must accept that the investment could fall in value, particularly in the short term. The model will sit within risk profile 4 on a scale of 1-10, where 1 is cash and 10 is 100% high risk equity markets. Please see the reverse for historical volatility and peak to trough data.

Risk Rating

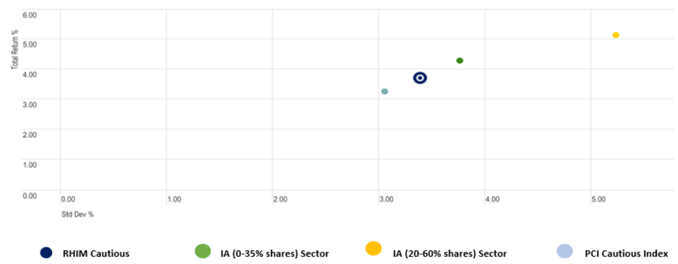
1	2	3	4	5	6	7	8	9	10
100% cash			50% Equity			100% Equity		100% EM Eq	

Commentary

September 2019 UPDATE

The Cautious model was up 1.2% over the last three months as markets essentially trod water with both equities and fixed income only just making positive returns. Japanese equities were up over 6% and US equities were up 5% but emerging market equities were down 2% as Latin American politics took a turn for the worse. UK equities have been held back by Brexit anxiety and the FTSE All-Share was up 1.3% over the three months. The infrastructure and strategic bond funds, which currently invest in government debt, were up 3% over the trimester while the Merian Gold & Silver fund, which gave up some of its recent gains in September, was still up 16%. Over the year, the Cautious model was up 2.7% on the back of higher equity markets, falling yields and rising bond prices. The drag on returns has come from the equity long/short funds as we have retained our scepticism over US equity valuations in a slowing US, and global, economy. The strengthening US dollar has also been a headwind but we think that both US equities and the dollar could be about to weaken.

Risk Return (5 years) as at 30th September 2019

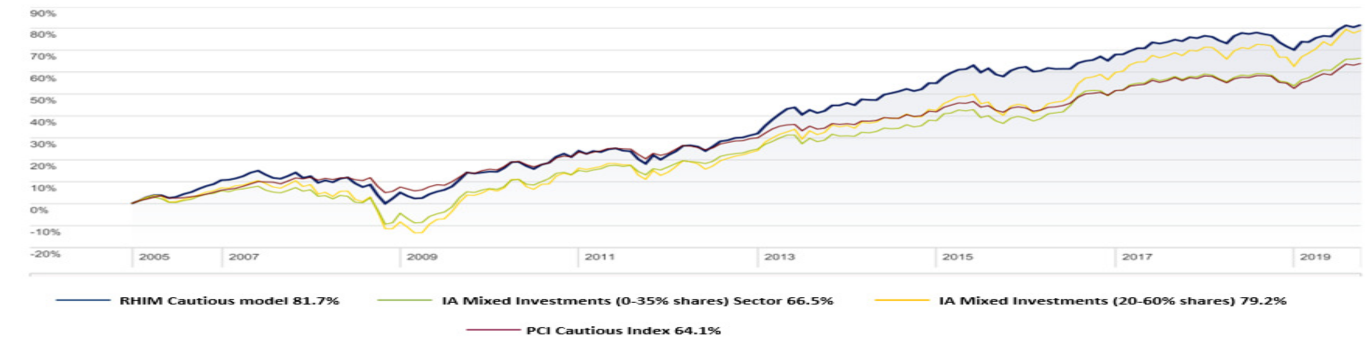


*For illustrative purposes only.

Performance (Cumulative) as at 30th September 2019

	1 year	5 years	10 years	Since Inception
RHIM Model	2.71%	19.97%	59.12%	81.65%
PCI Return	3.71%	17.34%	43.67%	64.05%
IA Sector	4.52%	25.83%	65.30%	72.81%

Performance Chart since inception

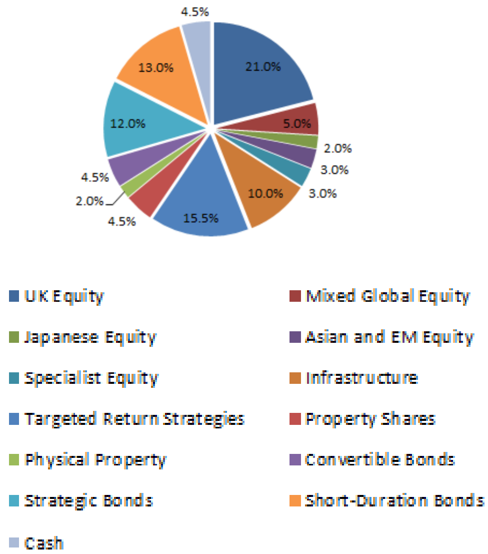


RICHMOND HOUSE
INVESTMENT MANAGEMENT

Key Facts	RHIM Cautious
Launch Date	1st January 2006
IA Sector	50% IA 0-35 % Sector 50% IA 20-60% Sector
Private Client Index (PCI)	PCI Cautious Index
RHIM Fee	0.5% + VAT
No. Holdings	20
Historical Yield	2.5% (as at 30.09.19)

The Historic Yield reflects distributions declared over the past twelve months as a percentage of the valuation as at the date shown. Investors may be subject to tax on their distributions.

Asset allocation



Risk Statistics-Data as at 30th September 2019	Annualised Return	Annualised Volatility	Worst Peak to Trough
RHIM Model – 3 years	3.13%	3.28%	5.22%
IA Sector	*3.73%*	*4.02%*	*5.43%*
RHIM Model – 5 years	3.71%	3.39%	5.22%
IA Sector	*4.70%*	*4.50%*	*7.94%*
RHIM Model – since inception	4.44%	4.54%	13.96%
IA Sector	*4.05%*	*5.79%*	*20.37%*

Risk
Higher-risk investments tend to experience greater volatility, which means they are likely to go up and down in value more often and by larger amounts than lower-risk investments. In return, higher-risk investments have the potential to produce higher returns over the long term, although this is not guaranteed. If you do not understand the risks involved with the portfolio it is important that you seek clarification from your Financial Adviser before making an investment.

This Factsheet
This factsheet demonstrates the exposure, characteristics and performance of the named RHIM model. Your actual portfolio may differ depending on your individual circumstances. All features described in this fact sheet are current at the time of publication and may be changed in the future.

Currency
Some funds will hold overseas assets and as a result will also have exposure to overseas currencies. Exchange rates can fluctuate and may cause the value of the investment to rise or fall.

Investment Term
It is generally accepted that equity investments should be regarded as long term investments and should be held for a minimum of five years, ideally longer. Your time horizon and capacity for loss are important considerations when selecting the most appropriate RHIM model.

Property Funds
The value of property is generally a matter of a valuer's opinion which may not be readily realisable. There are liquidity risks associated with investing in property whereby encashments may be delayed waiting for properties to be sold.

Performance
It should be noted that past performance is not necessarily a guide to future performance. The price of shares/units and income from them may fall as well as rise and is not guaranteed. RHIM Performance illustrated is net of fund charges, but does not include Richmond House Investment Management discretionary management fees, nor fees that may be incurred through your Financial Adviser. PCI returns are net of the Discretionary Manager charges and use provisional data.

Richmond House Investment Management Limited (No 114563) is authorised and regulated by the Financial Conduct Authority.
Registered in England at Premier House, Argyle Way, Stevenage, Herts, SG1 2AD. Tel 0333 2413350 www.richmondhouseim.co.uk