



RICHMOND HOUSE

INVESTMENT MANAGEMENT

RHIM INCOME MODEL FACTSHEET

The RHIM Income model aims to produce a yield in the region of the FTSE All Share and modestly grow the capital over the medium term. The model is likely to experience similar volatility to the IA sector given that it stays fully invested within income producing assets throughout the cycle. This is a multi-asset global income portfolio with an equity weight between 40% and 55% which will include overseas equity exposure, balanced with at least 35% in fixed interest and property as deemed appropriate. Asset allocation will be actively managed whilst maintaining a balanced risk profile. Income generated can be withdrawn or reinvested. Investors should be comfortable with periods of volatility, although this is expected to be less than a pure equity portfolio. Withdrawing income will reduce growth potential. The model will sit in profile 5 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.

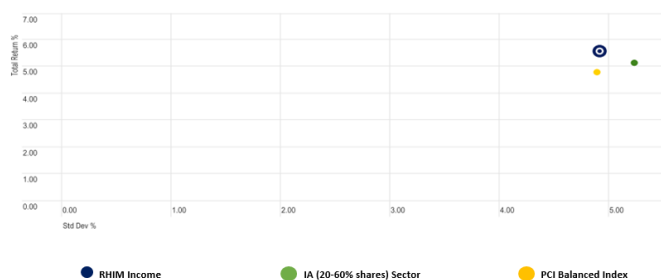


Commentary

September 2019 UPDATE

The Income model gained 1.6% over the last three months as equities and bonds rose on the back of interest rate cuts and monetary stimulus from the European Central Bank and the U.S. Federal Reserve, even though the global economy deteriorated. Japanese equities, which benefit from a strengthening currency in risk-off markets, were up more than 6% in the quarter while US stocks were up nearly 5% as the companies continued to buy back their shares. Other markets were lower with both UK and emerging market equities suffering from renewed political uncertainty. The FTSE All-Share was up 1.3% over the three months. Government bonds did well as global growth slowed and central banks started buying them again. The model's strategic bond funds, which hold sovereign debt, were up 2.5% over the three months. The gold price fell back in September but the Merian Gold & Silver fund was still up 16% over the last three months. Over the year, the Income model was up 4.4% as equities and bonds have risen on the back of easier monetary conditions even though growth has slowed. The model's underweight to US equities has been a drag on performance but we consider them and the US dollar to be expensive and at risk of a correction. US equities also have a low dividend yield.

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

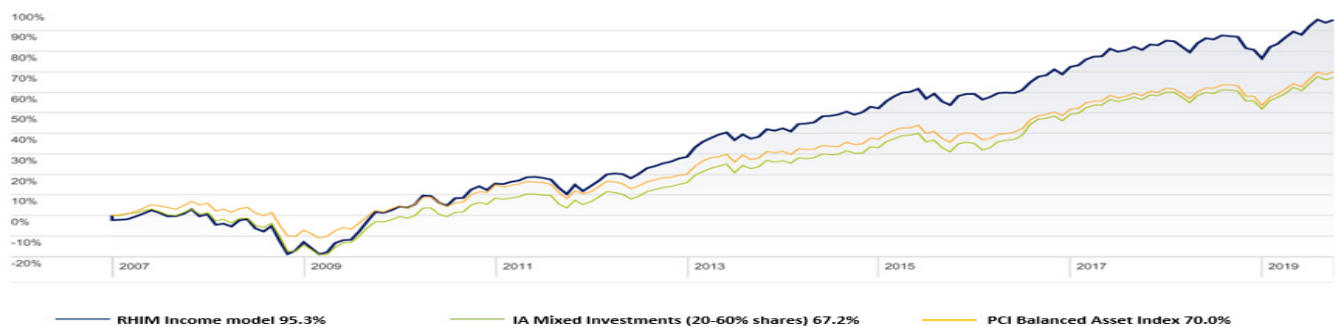


*For illustrative purposes only.

Performance (Cumulative) as at 30th September 2019

	1 year	5 years	10 years	Since Inception
RHIM Model	4.41%	31.00%	92.21%	95.29%
PCI Return	4.15%	26.37%	65.97%	70.01%
IA Sector	4.14%	28.35%	72.57%	67.22%

Performance Chart since inception



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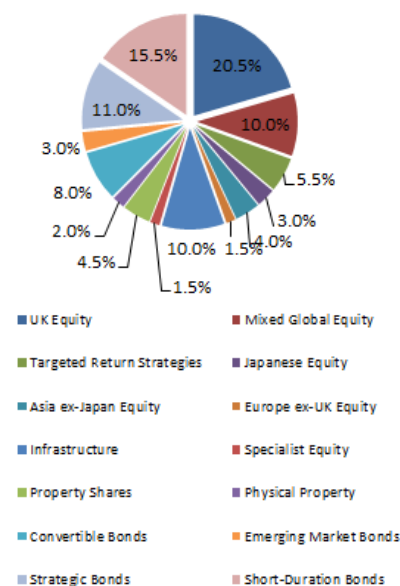
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Key Facts	RHIM Income
Launch Date	1 st January 2007
IA Sector	IA 20-60% Sector
Private Client Index (PCI)	PCI Balanced Index
RHIM Fee	0.5% + VAT
No. Holdings	20
Historical Yield	3.4% (as at 30.9.19)

Asset allocation



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.

Risk Statistics-Data as at 30 th September 2019	Annualised Return	Annualised Volatility	Worst Peak to Trough
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Risk Statistics-Data as at 30 th September 2019	Annualised Return	Annualised Volatility	Worst Peak to Trough
RHIM Model – 3 years	5.09%	4.90%	7.18%
<i>IA Sector</i>	4.31%	4.81%	6.70%
RHIM Model – 5 years	5.55%	4.91%	7.18%
<i>IA Sector</i>	5.12%	5.23%	9.44%
RHIM Model – since inception	5.39%	7.36%	24.04%
<i>IA Sector</i>	4.11%	6.70%	23.57%

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.