

May 2020

bordier | 1844

## Risk Targeted Managed Service

### Bordier UK Risk Targeted 3 (RT3)

#### Key information

##### Strategy details

Launch date	1 March 2016
Minimum initial investment (direct)	£20,000
Minimum initial investment (platform)	£1,000
Rebalancing strategy (minimum)	Quarterly
Currency	£ GBP
Annual management charge (direct)	0.75% + VAT
Annual management charge (platform)	0.30% + VAT *
Annual yield (current)	1.67%
Ongoing charges figure ('OCF')	0.58%

\* Not including platform fees

##### Investment update - May

The relief rally in markets continued into May with risk assets recovering strongly since the heavy sell-off in Q1. Investors have seemingly become more hopeful that virus cases may have peaked in many key regions, which has led to daily and intra-day market volatility subsiding. Indeed, US markets continued to gain ground despite the release of weak economic data and US/China trade tensions resurfacing, finishing the month in positive territory for the year in sterling terms. However, concerns remain as lockdown restrictions begin to be relaxed, with investors particularly on the lookout for the virus' return in Asia. May saw an increase to our fixed interest exposure through the addition of the TwentyFour Corporate Bond fund. The fund targets the higher quality investment grade space, an area of the market we believe offers a relatively attractive yield with minimal default risk. Cash levels have been reduced as a result of the addition. Elsewhere in the strategy, our current equity exposure remains around neutral, relative to Dynamic Planner risk boundaries, whilst our alternative funds continue to act as market stabilisers. There remains a focus on high levels of liquidity in everything that we own. As such, we continue with our zero-weight commercial property stance, which means we remain unaffected by funds in the sector gating. Our Investment Committee continue to meet frequently during these extraordinary times enabling decisive action to be taken when required.

##### Discretionary manager

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##### Risk Targeted Managed Service

Our Risk Targeted ('RT') Managed Service is available directly through our Bordier UK platform or via the Novia, Standard Life and Transact platforms. There are five actively managed investment strategies available, each with different levels of risk and expected return, that are rigorously mapped within a specific Dynamic Planner risk profile tolerance. Each can be held within general investment accounts, ISAs, SIPPs and other wrappers (platform dependent).

##### Investment objective

The objective is to preserve capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect low levels of reward and a low correlation to stock market behaviour, including modest fluctuations in values.

##### Risk category

The strategy is managed in accordance with DP risk profiles and is part of their Risk Target Managed ('RTM') offering. The strategy's expected volatility is targeted to stay within the assigned DP risk profile's boundaries.



##### Discrete performance

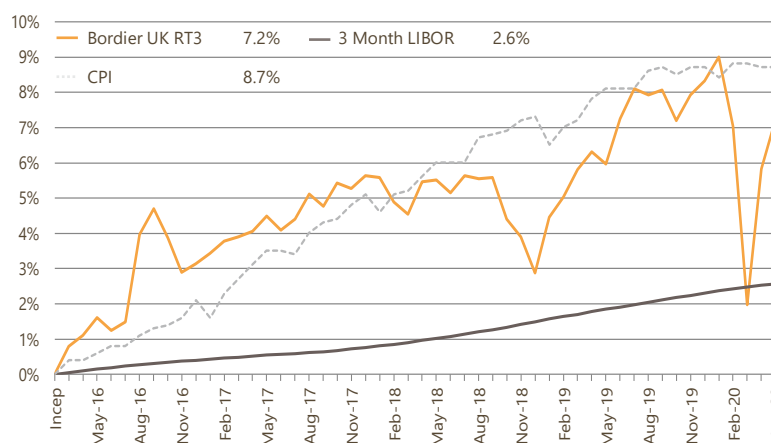
	YTD	2019	2018	2017	2016*
Bordier UK RT3	-1.0%	5.3%	-2.6%	2.4%	3.1%
3 Month LIBOR	0.3%	0.8%	0.7%	0.4%	0.4%
CPI	0.0%	1.3%	2.1%	2.9%	2.1%

##### Cumulative performance

	1yr	3yr	5yr
Bordier UK RT3	1.2%	2.6%	-

Source: FE Analytics as at 31/05/20. \*2016 performance from 01/03/16. Bordier UK figures net of 0.30% + VAT.

##### Inception performance



Source: FE Analytics as at 31/05/20. Inception from 01/03/16. Bordier UK figures net of 0.30% + VAT. Past performance is not a guide to future results. See full risk warning overleaf.

Bordier & Cie (UK) PLC | Specialist Investment Manager

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## About Bordier UK

Bordier & Cie (UK) PLC ('Bordier UK') is a specialist investment manager that promotes a long-standing culture of consistency and excellence, whether in the performance of our portfolios, the service given by our staff or the quality of our reporting.

Bordier UK focuses on managing the wealth of individuals, families and trustees. We manage portfolios for pensions, trusts, charities, offshore bonds, livery companies, institutions and welfare committees, as well as investments from our own staff. Working alongside professional advisers and managing investment solutions on behalf of their clients is core to the Bordier UK business.

Bordier UK was previously known as Berry Asset Management, one of the country's most widely respected private portfolio management firms. The team that led Berry Asset Management continue to run the business to this day.

Bordier UK is part of the Bordier Group. The Bordier Group is built on solid foundations, with a strong Tier 1 capital ratio of 29.5%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £10.7bn for approximately 4,000 families (Source: Bordier & Cie as at 31 December 2019).

## Contact us



### David Muncaster

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For further information on this strategy or any of our other investment services please contact David Muncaster or a member of our sales team at sales@bordieruk.com.

**Bordier & Cie (UK) PLC**  
**Specialist Investment Manager**

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## Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

	UW (-)	N (=)	OW (+)	
Fixed interest				
Equities				
Property				
Alternative investments				
Cash				

### Key

Current

Previous\*

UW (-) Underweight

N (=) Neutral

OW (+) Overweight

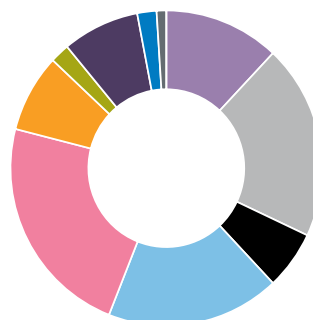
As at 31/05/20

\*Positioning prior to last Investment Committee meeting

## Headline positioning

- ~ Equity exposures are now around neutral again from a combination of market moves and our recent decisions to raise more liquidity.
- ~ Corporate fixed income exposure has increased, specifically targeting the higher quality investment grade space.
- ~ Cash levels have been reduced to neutral.
- ~ There remains a focus on high levels of liquidity in everything we own.
- ~ Market neutral alternative investments are continuing to act as stabilisers. We were right to sell our structured investment funds last Autumn.

## Model asset allocation



Sector	%
Cash	12
UK fixed interest	20
International fixed interest	6
Strategic bonds	18
Alternatives	23
UK equity income	8
UK equity growth	2
US equity	8
European equity	2
South East Asian equity	1

## Top 10 holdings

Holding	%	Holding	%
Cash (deposit)	12	Vanguard UK Government Bond Index	7
Janus Henderson UK Absolute Return	9	Fidelity Strategic Bond	6
Artemis US Absolute Return	7	BNY Mellon Global Dynamic Bond	5
BlackRock Absolute Return Bond	7	TwentyFour Corporate Bond	5
Janus Henderson Strategic Bond	7	LF Miton US Opportunities	4

As at 31/05/20

**Risk warning:** The value of an investment and any income from it may fall as well as rise, may be affected by exchange rate fluctuations and you may not get back the amount you originally invested. The information in this factsheet does not constitute an offer of, or an invitation to buy or sell any security. Levels and bases of tax can change. The securities detailed in this factsheet may not be suitable for all investors. The model portfolio is applied to client accounts by the platform provider but it may take some time for the client accounts to mirror the model. Bordier & Cie (UK) PLC recommends that you seek the advice of your financial adviser.

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