

Managed Portfolio Service

Balanced Strategy

September 2020

Key information

Strategy details

Launch date	2 July 2012
Minimum initial investment	£20,000
Rebalancing strategy (minimum)	Quarterly
Currency	£ GBP
Annual management charge	0.75% + VAT
Annual yield (current)	1.24%

Annualised volatility and OCF

Bordier Balanced	7.89%
Ongoing charges figure ('OCF')	0.71%

Annualised 3-year volatility data as at 30.09.20 - Source: FE Analytics

Investment update - September

Rising COVID-19 cases as well as questions over refreshed fiscal stimulus measures contributed to investor sentiment waning in September, as equity market returns around the world flattened in sterling terms. Indeed, the pace of economic recovery seems to be losing some momentum since the rebound in activity seen in the summer months. With winter around the corner, the outlook for markets continues to be cloaked in uncertainty and impacted by assumptions on the spread of COVID-19 and the potential for renewed lockdowns. There are some areas where greater longer-term opportunity seemingly exists, namely the US and Asian markets, as the benefits of geographic diversification come to the fore. With this in mind, our Investment Committee undertook a further redistribution of the strategy's equity exposure in September by reducing its allocation to the UK stockmarket and reinvesting the proceeds into the US. The newly added AXA Framlington Global Technology fund should take advantage of the recent sell-off in US 'big tech' to increase exposure to an area likely to remain in vogue as the world adjusts to the 'new normal'. The strategy retains a broadly neutral commitment to stockmarkets, which is in line with our longer-term strategic positioning. The asset allocation change means that circa 50% of clients' stockmarket exposure is allocated to the US and around 80% of equity investment is exposed to more vibrant economies and opportunities outside the UK.

Discretionary manager

Bordier & Cie (UK) PLC
23 King Street
St James's
London SW1Y 6QY
t: +44 (0)20 7667 6600
w: www.bordieruk.com

Managed Portfolio Service

Our Managed Portfolio Service ('MPS') has been awarded the maximum Defaqto 5 stars as a solution for advisers to manage client assets directly with Bordier UK. There are five actively managed investment strategies to choose from, each with its own risk profile and the ability to select an income option to benefit from regular income from the strategy as well as potential long-term capital growth.

Investment objective

The objective is to build capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect reasonable correlation to stockmarket behaviour and rewards, including quite sharp fluctuations in values, but also some protection in times of market weakness.

Risk profile

The strategy is managed with a maximum target of 60% equity market exposure and is categorised as a **Bordier Risk Profile 3**.

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Discrete performance

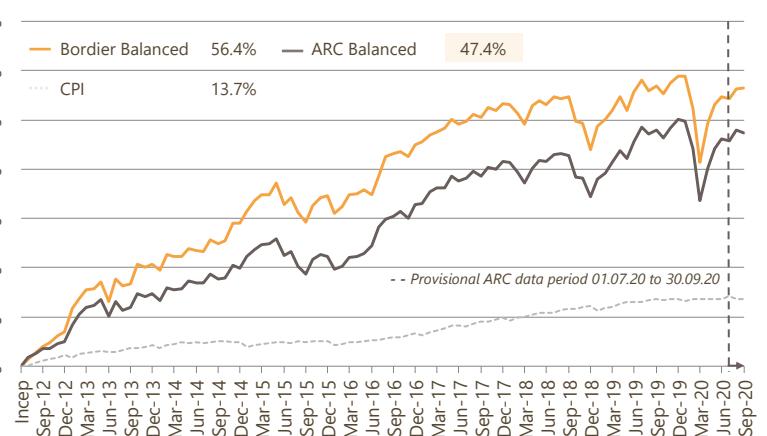
	YTD	2019	2018	2017	2016	2015
MPS Balanced	-1.5%	10.3%	-6.1%	5.8%	7.6%	4.4%
ARC Balanced Asset PCI	-1.9%	11.7%	-5.1%	6.7%	8.6%	1.9%
CPI	0.1%	1.3%	2.1%	2.9%	1.6%	0.2%

Cumulative performance

	1yr	3yr	5yr
MPS Balanced	-0.3%	4.0%	21.2%

Source: FE Analytics as at 30.09.20.
Bordier UK figures net of 0.75% AMC + VAT. Highlighted ARC figure is provisional.

Inception performance



Source: FE Analytics as at 30.09.20.
Inception from 02.07.12. Bordier UK figures net of 0.75% AMC + VAT. Highlighted ARC figure is provisional.
Past performance is not a guide to future results. See full risk warnings overleaf.



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 35.5%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £11.7bn for approximately 4,000 families (Source: Bordier & Cie as at 30 June 2020).

Contact us



David Muncaster

Director of Sales and Marketing
david.muncaster@bordieruk.com

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
23 King Street | St James's | London SW1Y 6QY
t: +44 (0)20 7667 6600

Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

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

Key

- Current
- Previous*
- UW (-)** Underweight
- N (=)** Neutral
- OW (+)** Overweight

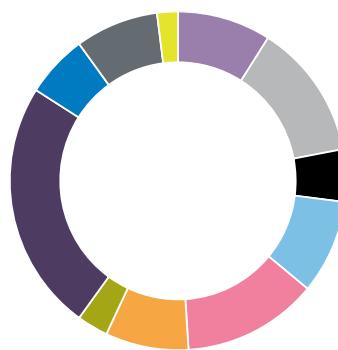
As at 30.09.20

*Positioning prior to last Investment Committee meeting

Headline positioning

- ~ Equity exposure remains around neutral, with approximately 80% of our stockmarket exposure outside of the UK.
- ~ We maintain our increased corporate fixed income exposure, specifically targeting the higher quality investment grade space.
- ~ Cash levels remain at neutral.
- ~ There remains a focus on high levels of liquidity in everything we own.
- ~ Market neutral alternative investments continue to act as stabilisers. We were right to sell our structured investment funds last Autumn.

Model asset allocation



Sector	%
Cash	9
UK fixed interest	13
International fixed interest	5
Strategic bonds	9
Alternatives	13
UK equity income	8
UK equity growth	3
US equity	24
European equity	6
South East Asian equity	8
Japanese equity	2

Top 10 holdings

Holding	%	Holding	%
Cash (deposit)	9	TwentyFour Corporate Bond	5
Janus Henderson Strategic Bond	5	Vanguard UK Government Bond Index	5
Janus Henderson UK Absolute Return	5	Artemis US Absolute Return	4
LF Miton US Opportunities	5	BNY Mellon Global Dynamic Bond	4
Montanaro UK Income	5	Findlay Park American	4

As at 30.09.20

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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