

Hybrid Passive Managed Service

Balanced Strategy

October 2020

Key information

Strategy details

Start date	15 June 2015
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%

* Not including platform charges

Annualised volatility and OCF

Bordier Balanced	7.60%
Ongoing charges figures ('OCF')	0.42%

Annualised 3-year volatility data as at 31.10.20 - Source: FE Analytics

Investment update - October

A rise in COVID-19 cases during October resulted in the re-introduction of widespread restrictions across Europe, leading to a fall in world equity markets towards the end of the month. Investor sentiment had remained relatively neutral throughout the majority of October as the US presidential election dominated headlines and Boris Johnson missed his self-imposed Brexit deadline as the impasse continues. Our Investment Committee remain confident with the make-up of the strategy, therefore no changes were made during October. The total allocation to global stockmarkets across our strategies remain at broadly neutral levels, with around 80% of equity exposure lying outside of the UK where we believe greater longer-term opportunities exist. Our fixed income positioning continues to target high quality, investment grade corporate bonds, which offer prospects for attractive income and capital growth. The absolute return funds that make up the alternatives sector of the strategy should continue to act as market stabilisers. The ongoing uncertainty and impact of COVID-19 means our Investment Committee continues to closely monitor current events and will modify the strategies' positioning, including utilising our additional cash weightings, if new buying opportunities arise.

Discretionary manager

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Hybrid Passive Managed Service

The service consists of five actively managed investment strategies, offering lower cost access to our discretionary fund management capabilities, through the combination of active and passive collective investments. The service provides a solution that, when cost considerations are paramount, does not compromise on quality. Investment strategies are monitored by our central Investment Committee to ensure consistency of performance from one portfolio to another. The service is available on the following platforms: Ascentric, Aviva, Embark, Fusion, Hubwise, Nucleus, Standard Life and Transact.

Investment objective

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**.



Discrete performance

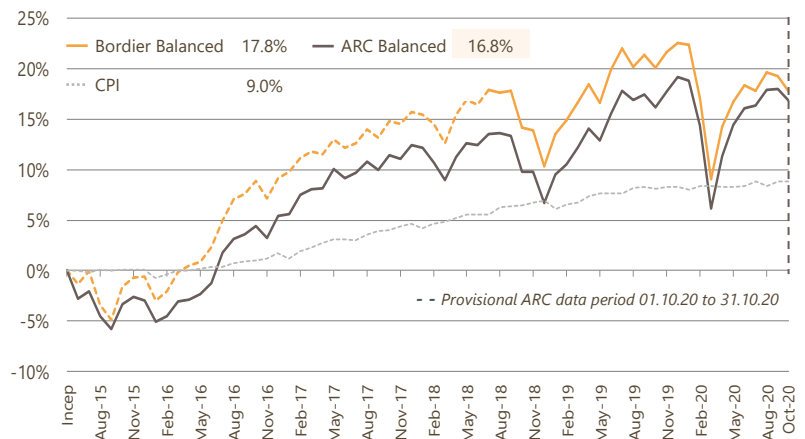
	YTD	2019	2018	2017	2016	2015*
Balanced	-3.9%	11.1%	-4.6%	6.0%	9.8%	-0.6%
ARC Balanced Asset PCI	-2.0%	11.7%	-5.1%	6.7%	8.6%	-3.0%
CPI	0.6%	1.3%	2.1%	2.9%	1.6%	0.1%

Cumulative performance

	1yr	3yr	5yr
Balanced	-2.0%	2.5%	19.7%

Source: FE Analytics as at 31.10.20. *Inception from 15.06.15. Bordier UK figures net of 0.30% AMC + VAT. Highlighted ARC figure is provisional.

Inception performance



Source: FE Analytics as at 31.10.20. Bordier UK figures net of 0.30% AMC + VAT. Highlighted ARC figure is provisional. Performance from inception (15.06.15) to 01.08.18 is simulated past performance based on back-tested data. Past performance is not a guide to future results. See full risk warning 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

For further information on this strategy or any of our other investment services please contact a member of our sales team:

t: 020 7667 6600
e: sales@bordieruk.com

Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

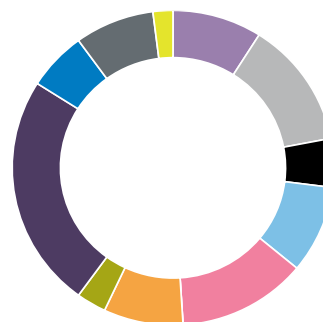
	UW (-)	N (=)	OW (+)
Fixed interest		Current	
Equities		Current	
Property	Current		
Alternative investments		Current	
Cash		Current	Previous*

As at 31.10.20
*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	HSBC Pacific Index	5
Janus Henderson UK Absolute Return	7	Janus Henderson Strategic Bond	5
LF Miton US Opportunities	7	TwentyFour Corporate Bond	5
Artemis US Absolute Return	6	Vanguard Global Short Term Bond Index	5
HSBC American Index	5	Vanguard UK Government Bond Index	5

As at 31.10.20

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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FACTSHEET/20201117/1.0