

Hybrid Passive Managed Service Cautious Strategy

November 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)	1.52%

* Not including platform charges

Annualised volatility and OCF

Bordier Cautious	5.80%
Ongoing charges figures ('OCF')	0.45%

Annualised 3-year volatility data as at 30.11.20 - Source: FE Analytics

Investment update - November

World equity markets had one of the best months on record since 1989 in November, rallying on the back of the news of effective vaccines against COVID-19 and the possibility of vaccine roll outs in the near future. This, much needed, positive news was preceded by Joe Biden's US presidential election, which was also viewed favourably by markets. The 'Goldilocks' outcome of a potentially divided Senate / House of Representatives and avoidance of a 'Blue Wave' was viewed as the best outcome from a market perspective, in part because it seemingly makes significant tax increases and reforms of 'big tech' and sectors such as healthcare less likely. No changes were made to the strategy in November. 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 Investment Committee continue to closely monitor current events and are actively looking at economic areas and themes that will now be best placed to capitalise from the recent global policy shifts in Europe (European Green Deal), China (carbon neutral by 2060) and the US (Biden's presidential election victory – renewables and infrastructure).

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, Novia, Nucleus, Seven IM, Standard Life and Transact.

Investment objective

To assist investors looking to preserve their capital in real (inflation-adjusted) terms over the medium to longer term but who feel comfortable with some moderate fluctuation in values.

Risk profile

This strategy is managed with a maximum target of 40% equity market exposure and is categorised as a **Bordier Risk Profile 2**.



Discrete performance

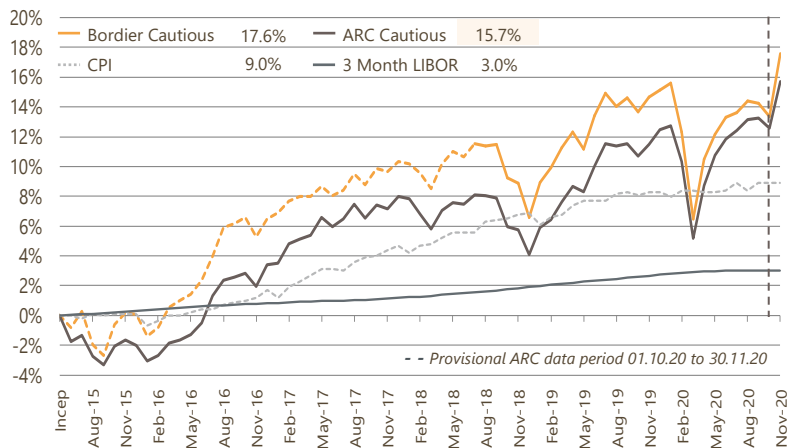
	YTD	2019	2018	2017	2016	2015*
Cautious	2.1%	8.0%	-3.4%	3.7%	6.4%	0.1%
ARC Cautious PCI	2.9%	8.1%	-3.6%	4.5%	5.5%	-2.0%
CPI	0.6%	1.3%	2.1%	2.9%	1.6%	0.1%
3 Month LIBOR	0.3%	0.8%	0.7%	0.4%	0.5%	0.3%

Cumulative performance

	1yr	3yr	5yr
Cautious	2.6%	7.2%	17.4%

Source: FE Analytics as at 30.11.20. *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 30.11.20. 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			
Equities			
Property			
Alternative investments			
Cash			

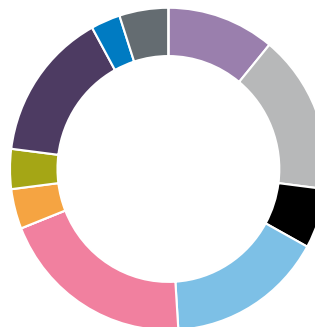
Key
 Current
 Previous*
UW (-) Underweight
N (=) Neutral
OW (+) Overweight

As at 30.11.20
*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	11
UK fixed interest	16
International fixed interest	6
Strategic bonds	16
Alternatives	20
UK equity income	4
UK equity growth	4
US equity	15
European equity	3
South East Asian equity	5

Top 10 holdings

Holding	%	Holding	%
Cash (deposit)	11	Vanguard Global Short Term Bond Index	6
Janus Henderson UK Absolute Return	8	Vanguard UK Government Bond Index	6
Artemis US Absolute Return	7	BlackRock Absolute Return Bond	5
Janus Henderson Strategic Bond	6	BNY Mellon Global Dynamic Bond	5
Premier Miton US Opportunities	6	Fidelity Strategic Bond	5

As at 30.11.20

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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