

Hybrid Passive Managed Service Balanced Strategy

February 2021

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)	1.81%

* Not including platform charges

Annualised volatility and OCF

Bordier Balanced	8.25%
Ongoing charges figures ('OCF')	0.48%

Annualised 3-year volatility data as at 28.02.21 - Source: FE Analytics

Investment update - February

Fuelled by the swift COVID-19 vaccination rollout as well as the continuing decline in the number of new infections, February saw global markets rise as investors shrugged off the market volatility caused by the coordinated attacks on short sellers of GameStop shares towards the end of January. There has also been a cyclical move in recent months as economies continue to reopen, with lower-valued sectors of the market continuing to fare well. Investors were, however, spooked towards the end of the month by the steepening of yield curves and the prospects of rising inflation. The key drivers behind these inflation concerns were the US stimulus package as well as faster economic growth potentially triggering a reversal in the monetary policy stances of central banks. Whether this has been an overreaction is yet to be seen but our Investment Committee believe that further conditions need to be met before monetary policy becomes less accommodative. Additionally, central bank rhetoric regarding monetary policy remains in support of keeping interest rates lower for the time being and a willingness to let inflation run hot in the short term. Our Investment Committee remain vigilant and continue to closely monitor current events and whilst no strategic changes were made during the month, it was decided that for tactical reasons we would sell the Artemis US Absolute Return fund. Further details on this change will follow next month once implemented.

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, Seven IM, 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 stock market 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

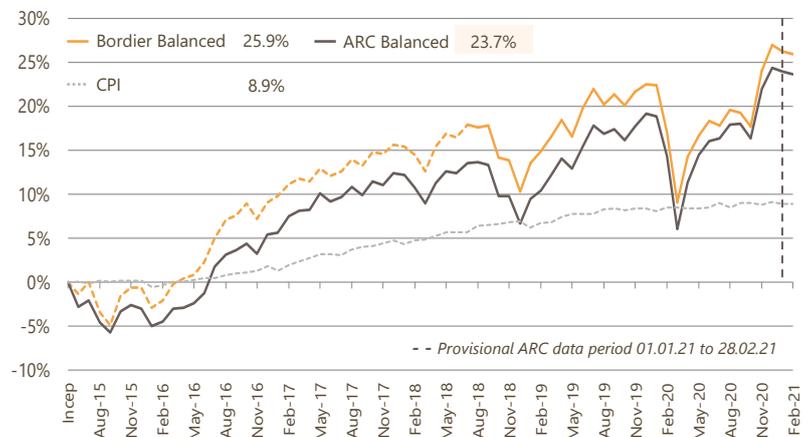
	YTD	2020	2019	2018*	2017*	2016*
Balanced	-0.9%	3.6%	11.1%	-4.6%	6.0%	9.8%
ARC Balanced Asset PCI	-0.6%	4.3%	11.7%	-5.1%	6.7%	8.6%
CPI	-0.2%	0.7%	1.3%	2.1%	2.9%	1.6%

Cumulative performance

	1yr	3yr*	5yr*
Balanced	7.5%	10.0%	28.5%

Source: FE Analytics as at 28.02.21.
*Performance from inception (15.06.15) to 01.08.18 is simulated past performance based on back-tested data. Bordier UK figures net of 0.30% AMC + VAT. Highlighted ARC figure is provisional.

Inception performance



Source: FE Analytics as at 28.02.21.
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:

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e: sales@bordieruk.com

Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

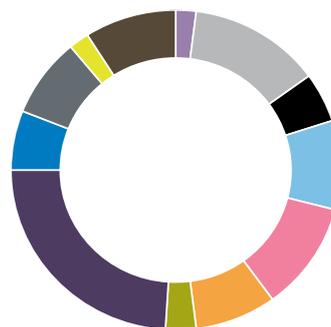
	UW (-)	N (=)	OW (+)
Fixed interest		Current	
Equities		Previous*	Current
Property	Current		
Alternative investments		Current	
Cash	Current	Previous*	

As at 28.02.21
*Positioning prior to last Investment Committee meeting

Headline positioning

- We have increased our stock market exposure to the upper end of our strategic equity ranges.
- We maintain our increased corporate fixed income exposure, specifically targeting the higher quality investment grade space.
- Cash levels have been reduced to fund a new allocation to the thematic and global sector.
- 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 in Autumn 2019.

Model asset allocation



Sector	%
Cash	2
UK fixed interest	13
International fixed interest	5
Strategic bonds	9
Alternatives	11
UK equity income	8
UK equity growth	3
US equity	24
European equity	6
Asia-Pacific ex Japan equity	8
Japanese equity	2
Thematic and global equity	9

Top 10 holdings

Holding	%	Holding	%
Janus Henderson UK Absolute Return	7	Montanaro UK Income	5
Premier Miton US Opportunities	7	Ninety One Global Environment	5
HSBC American Index	5	TwentyFour Corporate Bond	5
HSBC Pacific Index	5	Vanguard Global Short-Term Bond Index	5
Janus Henderson Strategic Bond	5	Vanguard UK Government Bond Index	5

As at 28.02.21

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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