

# Hybrid Passive Risk Targeted Managed Service

## Hybrid Passive Risk Targeted 4 (HP RT4)

March 2021

### Key information

#### Strategy details

Launch date	1 March 2016
Minimum initial investment (platform)	£1,000
Minimum initial investment (direct)	£20,000
Rebalancing strategy (minimum)	Quarterly
Currency	£ GBP
Annual management charge (platform)	0.30% + VAT*
Annual management charge (direct)	0.75% + VAT
Annual yield (current)	1.94%
Ongoing charges figure ('OCF')	0.47%

\* Not including platform fees

#### Investment update - March

Markets have come a long way since their nadir last March thanks to the prospect, and now rollout, of COVID-19 vaccines along with the substantial support given by governments and central banks. This monetary and fiscal stimulus is likely to remain in place, which should allow both a relatively stable economic recovery and risk assets to prosper further. As such, the strategy remains at the upper end of the corresponding Dynamic Planner risk profile with a bias in equity exposure remaining towards the parts of the world where we expect stronger and more resilient economic growth trajectories i.e. the US and Asia-Pacific ex. Japan. Whilst 'growth' stocks generally dictated the direction of markets for the majority of 2020, 'value' stocks have recently seen a period of better performance. We continue to take a blended approach and are happy with having feet in both the 'growth' and 'value' market camps. The immediate outlook for fixed interest investments is confused by the inflation debate. We maintain a diversified approach, with exposure towards corporate and inflation-linked bonds as well as to strategic bond managers who should be able to pivot quickly to minimise risks or take advantage of opportunities. During the month an underlying change was made to our alternatives exposure, with the Artemis US Absolute Return fund being sold for tactical reasons. The proceeds from this sale were redistributed to other absolute return funds held within the strategy. Some minor asset allocation adjustments were also made to maintain alignment with the strategy's corresponding Dynamic Planner risk profile.

#### Discretionary manager

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#### Hybrid Passive Risk Targeted 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 Aviva and Standard Life platforms.

#### 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

The strategy is managed in accordance with **Dynamic Planner risk profile 4**, with the strategy's expected volatility targeted to stay within the assigned Dynamic Planner risk profile's boundaries.



#### Discrete performance

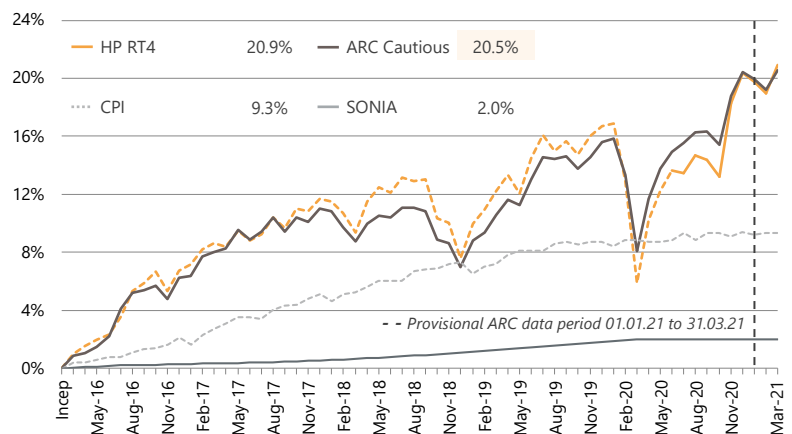
	YTD	2020*	2019*	2018*	2017*	2016*
HP RT4	0.4%	3.1%	8.5%	-3.7%	4.7%	6.7%
ARC Cautious PCI	0.1%	4.2%	8.1%	-3.6%	4.5%	6.2%
SONIA	0.0%	0.2%	0.7%	0.6%	0.3%	0.3%
CPI	-0.1%	0.7%	1.3%	2.1%	2.9%	2.1%

#### Cumulative performance

	1yr*	3yr*	5yr*
HP RT4	14.2%	10.6%	19.8%

Source: FE Analytics as at 31.03.21.  
\*Performance from inception (01.03.16) to 30.06.20 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 31.03.21.  
Bordier UK figures net of 0.30% AMC + VAT. Highlighted ARC figure is provisional.  
Performance from inception (01.03.16) to 30.06.20 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 34.7%. Established in Geneva in 1844, the Bordier Group operates in six countries across three continents, managing assets of circa £11.8bn for approximately 4,000 families (Source: Bordier & Cie as at 31 December 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

**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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## Headline asset allocation

Summary of current Bordier UK Investment Committee positioning

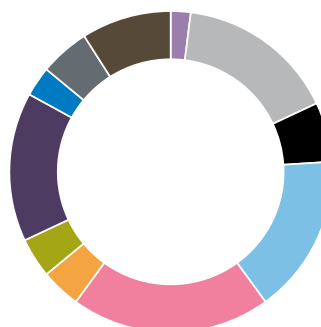
	UW (-)	N (=)	OW (+)	Key
Fixed interest		Current		
Equities		Previous*	Current	
Property	Current			
Alternative investments		Current		
Cash	Current	Previous*		

As at 31.03.21  
\*Positioning prior to last Investment Committee meeting

## Headline positioning

- The strategy remains at the upper end of the corresponding Dynamic Planner risk profile with a bias in equity exposure to the US and Asia-Pacific ex. Japan.
- We maintain a diversified approach to our fixed income exposure, with increased allocations to corporate and inflation-linked bonds as well as to strategic bond managers.
- Cash levels remain reduced following our allocation to the thematic and global sector in December last year.
- There remains a focus on high levels of liquidity in everything we own.
- Market neutral alternative investments continue to act as stabilisers.

## Model asset allocation



Sector	%
Cash	2
UK fixed interest	16
International fixed interest	6
Strategic bonds	16
Alternatives	17
UK equity income	4
UK equity growth	4
US equity	17
European equity	3
Asia-Pacific ex Japan equity	6
Thematic and global equity	9

## Top 10 holdings

Holding	%	Holding	%
Janus Henderson UK Absolute Return	9	Vanguard UK Government Bond Index	6
BlackRock Absolute Return Bond	8	BNY Mellon Global Dynamic Bond	5
Janus Henderson Strategic Bond	6	Fidelity Strategic Bond	5
Premier Miton US Opportunities	6	HSBC American Index	5
Vanguard Global Short-Term Bond Index	6	Legg Mason IF ClearBridge Global Infra. Inc.	5

As at 31.03.21