

# Hybrid Passive Managed Service Adventurous Strategy

May 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)                | 1.67%         |

\*Not including platform charges

### Annualised volatility and OCF

|                                 |        |
|---------------------------------|--------|
| Bordier Adventurous             | 13.47% |
| Ongoing charges figures ('OCF') | 0.33%  |

Annualised 3-year volatility data as at 31.05.21 - Source: FE Analytics

### Investment update - May

Equities made further progress in May; corporate earnings announcements, both in the US and elsewhere, have generally surpassed expectations so far this year and economic activity is picking up strongly in many regions. Key indicators such as Purchasing Managers' Indices are rising quicker than expected, while vaccine rollout programs continue to progress well and data around their efficacy remains encouraging. The outlook for inflation continues to be a key influence on markets. Headline inflation in the US again rose more than expected, however the rhetoric from the US Federal Reserve, which has talked down the prospect of changing rate policy, remains unchanged. The opening up of the economy in the UK is also leading to quite a dramatic recovery in retail sales, which is in turn driving pockets of price inflation in the short term. No changes were made to the strategy in May as our Investment Committee continues to believe that equity markets are well supported by the prospect of a broad global economic recovery and continued stimulus from governments and central banks. Company earnings announcements in key regions also look broadly encouraging and, as a result, equity positioning is being maintained at the top end of the strategy's allowable equity range. Given the unclear outlook for inflation, our fixed interest exposure remains diversified, with allocations to corporate and inflation-linked bonds in addition to strategic managers who can pivot quickly to minimise risks or take advantage of mispriced opportunities.

### 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 build capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect a high correlation to stock market behaviour and rewards, and be entirely comfortable with substantial volatility and very limited protection in times of market weakness.

### Risk profile

The strategy is managed with a maximum target of 100% equity market exposure and is categorised as a **Bordier Risk Profile 5**.



### Discrete performance

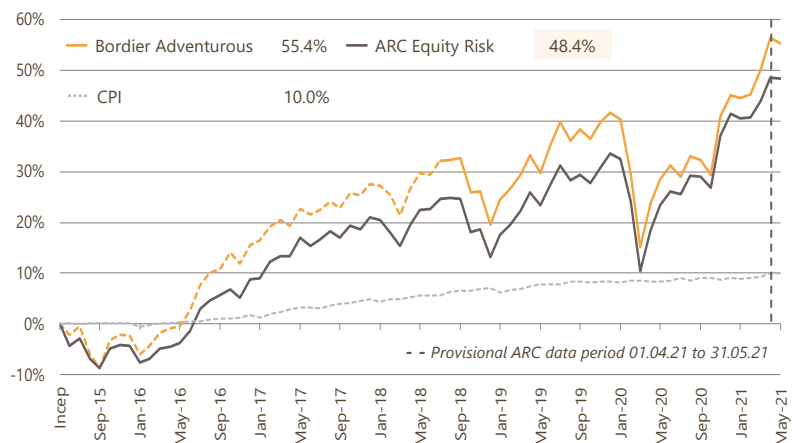
|                     | YTD  | 2020 | 2019  | 2018* | 2017* | 2016* |
|---------------------|------|------|-------|-------|-------|-------|
| Adventurous         | 7.1% | 2.5% | 18.4% | -6.2% | 10.3% | 18.3% |
| ARC Equity Risk PCI | 4.9% | 5.8% | 18.0% | -6.5% | 11.4% | 13.7% |
| CPI                 | 0.8% | 0.7% | 1.3%  | 2.1%  | 2.9%  | 1.6%  |

### Cumulative performance

|             | 1yr   | 3yr*  | 5yr*  |
|-------------|-------|-------|-------|
| Adventurous | 21.0% | 19.8% | 56.2% |

Source: FE Analytics as at 31.05.21.  
\*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 31.05.21.  
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 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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## 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* |         |

### Key

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

As at 31.05.21  
\*Positioning prior to last Investment Committee meeting

## Headline positioning

- The strategy's equity positioning remains at the top end of the allowable equity range with a bias 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 equity income             | 8  |
| UK equity growth             | 8  |
| US equity                    | 44 |
| European equity              | 12 |
| Asia-Pacific ex Japan equity | 14 |
| Japanese equity              | 5  |
| Thematic and global equity   | 7  |

## Top 10 holdings

| Holding                        | % | Holding                               | % |
|--------------------------------|---|---------------------------------------|---|
| HSBC Pacific Index             | 9 | Artemis US Select                     | 7 |
| Fidelity US Index              | 8 | HSBC European Index                   | 6 |
| HSBC American Index            | 8 | Vanguard FTSE Dev. Eur ex-UK Eq Index | 6 |
| Premier Miton US Opportunities | 8 | AXA Framlington Global Technology     | 5 |
| Vanguard US Equity Index       | 8 | Fidelity Index Japan                  | 5 |

As at 31.05.21

**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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